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THE
MERCHANT'S MAGAZINE

AND
COMMERCIAL REVIEW.

EDITED BY
WILLIAM B. DANA.

VOLUME SIXTY,
FROM JANUARY TO JUNE, INCLUSIVE, 1869.

New York :
WILLIAM B. DANA, PUBLISHER AND PROPRIETOR.
NO. 79 & 81 WILLIAM STREET:
1869.



ALPHABETICAL INDEX

TO SUBJECTS CONTAINED IN THE

MERCHANTS' MAGAZINE & COMMERCIAL REVIEW,

VOLUME LX.

FROM JANUARY TO JUNE, BOTH INCLUSIVE.

EDITED BY WILLIAM B. DANA.

	PAGE		PAGE
A.		Bonds of the U. States abroad	175, 178
Act to strengthen the public credit..	220	Boston bank returns, weekly.....	80, 160, 240, 320, 400, 472
Act regulating reports of National banks	229	Breadstuffs, decline in, and trade of the country.....	322
Act abolishing transit duties in New Jersey.....	229	Breadstuffs, production and distribution of.....	454
Alabama question here and in England.....	405	C.	
Albany and Susquehanna Railroad..	101	Canals of New York, enlargement of	326
B.		Chesapeake and Ohio Railroad	28
Bank shares, fluctuations in prices of, for two years.....	54	Checks, prohibition of the certification of	200
Bank returns of New York, Boston and Philadelphia	79, 160, 240, 320, 400, 472	Chicago and Alton	227, 264
Banks, the national system and their items of reserve.....	137	Civil service, British	210
Banks of each State (national) returns	141	Civil service, remarks on Mr. Jencks bill	218, 345
Bank of England returns for year...	155	Cleveland, Columbus, Cincinnati and Ind. Railroad	231, 380
Banks, act regulating reports of National	229	Cleveland and Pittsburg Railroad ..	257
Banking Associations (National), aggregate resources of, Oct. '65 to Oct. '68	27	Commercial Chronicle and Review ..	74, 155, 235, 281, 395, 467
Bankers and brokers, taxation of loans as capital	184, 244, 368	Consols, prices for month.....	76, 157, 237, 284, 397, 469
Bankruptcy and insolvency.....	193	Commerce of New York for year...	106
Bill to strengthen the public credit..	220	Cotton crop and the South.....	139
Bond purchases by Government ...	401	Coinage, unification of.....	243
		Cotton crop statement for 1868, and overland shipments.....	78
		Currency redemption and Congress..	243

	PAGE		PAGE
D.		L.	
Darien Ship canal.....	168	Legal tender decisions, their scope and results	181
Debt statement of United States, monthly.....	151, 228, 316, 343, 466	Land and water carriage.....	873
Debt and finances of South Carolina	187	M.	
Debt and finances of the State of New York	203, 261	Maine, water power of.....	115
Debt statement and Mr. Boutwell's improvements	253, 457	Michigan Southern and Northern Indiana Railroad	310
Delmar's report on the tariff	289	Milwaukee and St. Paul Railway ..	449
Depreciation of gold and silver.....	1	Money market, course of monthly 74, 156, 235, 281, 395, 467	
E.		N.	
Edmonds resolution.	94	National banking associations, aggre- gate resources and liabilities 27, 471	
Egypt, financial position of	459	National Bank system, items of reserve	38
Erie Railway.....	8 5	National Bank returns.	144
Europe, the new year in.	62	National Banks, act regulating reports of	229
Evansville and Crawfordsville Rail- road	25	Naugatuck Railroad Company.	230
Exchange, foreign quotations, of for two years	56	New York Central dividend.....	65
Exchange, quotations monthly 78, 160, 239, 286, 399, 471		New York bank returns, weekly. 79, 160, 240, 320, 400, 472	
F.		New York, commerce of for year....	06
Finance Bill of Senator Morton.....	78	New York and tunnel railroads	142
Foreign exchange, quotations for two years.....	56	New York State, debt and finances of	208, 261
Foreign exchange, monthly quota- tions	78, 160, 239, 236, 399	New York Central Railroad	221
G.		New York and New Haven Railroad. 254	
Gold and silver, Depreciation of ..	1	New York horse railroads.	430
Gold course of, prices for five years. 47		New Jersey transit duties abolished. 229	
Gold, prices of, for month...78, 1 9, 239, 286, 399, 471		Norfolk and New York, why one grew and the other did not	81
Gold premium, the influences now affecting the course of	212	O.	
Gold contracts legalized—copy deci- sion of the Supreme Court	268	Ohio railroads.....	130
Government securities, range of prices for 1868	58	Ohio and Mississippi Railroad	281
Government securities, prices of, for month ... 75, 157, 237, 283, 397, 4 8		Our foreign indebtedness, its advan- tages and disadvantages	1 5, 178
Government telegraph system pro- posed and opposed	97	P.	
Government purchases of bonds	4 1	Prices of merchandise for eight years. 37	
Great Britain, trade of.....	52, 238	Prices of gold for five years	47
Great Britain, agricultural statistics of.....	431	Prices at New York Stock Exchange for three years	8
H.		Prices bank shares, two years.	54
Hudson River Railroad	262	Prices of government securities for month	75, 157, 237, 283, 397
Huron and Ontario canal... ..	86	Prices of gold for month.78, 159, 239, 285	
I.		Prices of railroad stocks for month 76, 154, 238, 234, 397	
Illinois Central Railroad.....	257	Prices of consols and American secu- rities.	76, 157, 237, 284, 397
Internal revenue receipts for four years	103	Prices of exchange for month ..78, 160, 239, 286, 397	
Italy, financial situation of.....	461	Philadelphia bank returns weekly 79, 160, 241, 320, 400, 472	
		Philadelphia and Reading Railroad	189
		Pittsburg, Fort Wayne and Chicago and Cleveland and Pittsburg	257

	PAGE		PAGE
Public debt, monthly statement 151,		Redemption of the currency and Con-	
228, 816, 848,	466	gress	246
Public credit bill, copy of.....	220		
Public credit bill and advance of five-		S.	
twentien.....	225	Specie payments, what basis have we	
		for resumption of	32
Q.		Specie movement at New York from	
Quicksilver and Mining company....	317	1859 to 1868	68
		Specie payments, a way to return to.	120
R.		Specie payments, the resumption of,	
Railroads of the world.....	389	and the condition of the country	184
Railway consolidation	370	South Carolina, debt and finances of.	187
Railroad, Milwaukee and St. Paul..	449	South and the next cotton crop.....	189
Railway stock, watering of ....377,	447	Stock exchange, course of prices at,	
Railroad stocks, prices of each		for three years.....	38
month	76, 158, 288, 284, 397		
Railroad stocks, prices of, for three		T.	
years.....	88	Taxing Wall street.....	244
Railroad stocks, prices of, for month		Taxation of loans as capital....	184, 368
76, 158, 288, 284, 397,	469	Tariff, Delmar's report on	289
Railroad earnings for 1868	129	Telegraph system by government,	
Railroads, their influence in develop-		proposed and opposed.....	97
ing the wealth of the country....	161	Trade of Great Britain	152, 238
Railroad earnings for month....	224,	Trade, aspects of our foreign.....	340
308,	382	Transportation from West to the East,	
Railroad, horse of New York.....	480	how to cheapen	385
Railroads of Pennsylvania, reports of.	313	Transportation, land and water.....	373
Railroads of Ohio.....	130	Treasure movement at New York,	
Railroad, Albany and Susquehanna.	101	1859-'8	68
Railroad, Chicago and Alton....	227, 264	Tunnel railroads for New York.....	142
Railroad, Cleveland, Columbus, Cin-			
cinnati and Indianapolis	231, 380	U.	
Railroad, Chesapeake and Ohio.....	28	United States debt, monthly state-	
Railroad, Evansville and Crawford-		ment.....	151, 258, 816, 848 466
ville.....	25	United States bonds abroad—advan-	
Railroad, Erie.....	305	tages and disadvantages....	175, 178
Railroad, Hudson River.....	262	United States and Great Britain—	
Railroads, Illinois Central, Pittsburg		their relations.....	407
and Fort Wayne, Cleveland and			
Pittsburg	257	V.	
Railroad, Michigan Southern and		Virginia, debt of	73
Northern Indiana	310		
Railroad, New York and New Haven	254	W.	
Railroad, New York Central.....	221	Wall street as a subject of taxation.	244
Railroad, Ohio and Mississippi.....	231	Water and land carriage.....	373
Railroad, Philadelphia and Reading.	191	Watering railroad stocks.....	377, 447
Revenue, special report on the	59		
Revenue, internal receipts for four		Y.	
years.....	108	Yantze Kiang River	324

THE
MERCHANTS' MAGAZINE
AND
COMMERCIAL REVIEW.

JANUARY, 1869.

THE GOLD QUESTION.*

DEPRECIATION OF GOLD AND SILVER.

The money question is again the order of the day; it was raised sometime after the discovery of the placers of California and Australia, when the amount of specie was greatly increased by the supply of gold. For several years in fact these placers yielded for each country 300 or 400 million francs, say 700 millions for the two [about 140 million dollars]. The greater part of this gold was exported and reached the great commercial centres—the United States, England and France. There had been nothing like it for centuries—since the discovery of the famous silver mines of Mexico and Peru. Before 1848 the production of the precious metals in the entire world was probably from 400 to 450 million francs [80 to 90 million dollars], and yet it had nearly doubled since the commencement of the century from the working of the new silver mines of

* Translated from the "Revue des deux Mondes" for Hunt's Merchants' Magazine.

Russia. But with a sudden bound, in a few years, we pass from 450 million francs to 1100 or 1200 millions. It is natural that some anxiety should have been felt at this state of things, and that its consequences upon political economy should have been studied. It was asked especially if gold, which was becoming so abundant, would not lose its value, and if it was not wise to devise means of avoiding as much as possible the effects of depreciation. This precaution seemed to be demanded by those States which had either the silver standard or the double standard [silver and gold]. Those which had the silver standard adhered to it more rigorously than ever, and those which had both were induced to proscribe gold as legal coin, reserving its use simply for commercial purposes. It was under the influence of this prejudice that in 1849 Holland withdrew its gold from circulation, and that some years after, the example was followed by Belgium. In France there were also some very clever men who urged our country to follow the example of Belgium and Holland and return to the exclusive use of silver, which they considered the true monetary standard of France, by virtue of the law of Germinal in the year XI. Our Government was not induced to do this, preferring to remain in statu quo; and some years after, public opinion underwent some change. At first it was rather pleasant to see gold substituted gradually for silver, which bore a premium, and, consequently, disappeared from circulation. It was found that the new coin was more convenient and easier of transport, and finally as people became convinced that this gold, although supplied in abundance, was needed for circulation, and did not even fully supply the demand, they ceased to be alarmed at the annual production of seven or eight hundred millions in America. In fact, in 1856, when the mines had already furnished to the world six or seven thousand millions of francs, the precious metals became very scarce, discount reached six or seven per cent in England and France, and the principal financial establishments of these two countries, which, in 1852 and 1853 had had a cash reserve of five or six hundred millions, were straightened to maintain it at two hundred millions. It will be remembered that the Bank of France made considerable sacrifices to supply itself with coin; it purchased, from 1855 to the end of 1857, one thousand three hundred and seventy-eight millions, for which it paid in premiums the sum of 15,683,000 francs. The same thing occurred in 1863 and 1864; silver became very dear, and the cash reserve of the Bank of France and the Bank of England sank below two hundred millions; it was even urged upon our principal financial institution to sell its stock in order to obtain the precious metals. After this experience several times repeated, of the dearness of gold, notwithstanding the production of the mines, no one concerned himself longer with the question of specie.

But things change rapidly in this world, and, among the rest, the phenomena of political economy. Three years had not elapsed after the crisis of 1854 before things appeared in an entirely different aspect. The specie reserve of the banks, instead of decreasing at intervals as formerly, continued to increase, that of France in particular. In the middle of 1865, the 6th of July, it had reached five hundred and twenty-one millions; in 1866, seven hundred and eighty-one millions; in 1867 it attained to the famous one thousand millions; and finally, the present year, it oscillates between twelve and thirteen hundred millions, which nothing seems to diminish materially; neither the stock of cereals which we have been obliged to purchase to meet the deficiency in the harvest, nor the acquisition of raw material for our manufactures, nor even the expense occasioned by our preparations for war. In view of this fact, which has exercised, and still does exercise all minds, the attention is recalled to the question of the currency; it is again asked if we have not reached the time when the production of the mines, after having filled all the channels, and satisfied all demands, is about to overflow and cause a serious depreciation of specie. One recalls what took place after the discovery of America. From 1492 to 1530, in spite of the relative abundance of the precious metals, which was experienced from the first discovery of the New World, there was no appreciable change in the price of things—money preserved its full value—but, commencing with 1530, depreciation made rapid progress, and in the course of a century, according to some, three-quarters of a century, according to others, the revolution was accomplished; the value of the precious metals was three or four times less, that is, merchandise which was exchanged in 1492 and again, in 1530, for a certain weight of gold, brought triple and quadruple the amount in 1620 or 1630. Can we now be, as in 1530, on the eve of a new monetary revolution, and have we just traversed the intermediary stage when the precious metals, abundant as they are, still find a demand? Does the production commence to be largely in excess, and is it to this that we must attribute all the specie reserve of the principal financial institutions? These are the questions which are proposed to-day, and which we wish to examine without pretending to give them a practical solution, for it is very evident that if the depreciation of the precious metals were found to be real, it would be impossible to prevent it. In any event it would be well to know it, in order to know how to regard certain facts in political economy, which we observe without inquiry into their causes.

We shall astonish many persons perhaps in saying that the money question is still an obscure subject in political economy. Yet its use has been known for a very long time; it would be necessary to go back to

the infancy of society, to the barbarous epochs even, in order to find exchanges made otherwise than with a metallic medium. The Greeks, the Romans, and before them the Assyrians employed it: it was of bronze, silver or gold, according to the resources of the country and the state of civilization, but it existed everywhere, and it was in that form that riches were particularly sought. It is a long time that men have been called to meditate upon the use of a metallic currency and upon the influence which it can exert in the political economy of a people; but as nothing is simple in the phenomena of political economy, depending as they do upon a thousand things which cause them to vary with times and circumstances, it often happens that in studying these phenomena at different epochs, we arrive at very different conclusions. That which is certain, and we think it can be demonstrated, is that there are great errors disseminated upon the subject of the use of a metallic currency, and, I repeat, it is one of the points of political economy upon which science is the least employed. In speaking thus we have no reference to the opinions of those who imagine that a metallic currency is a useless expense which society imposes upon itself, that we should gain by ridding ourselves of it, and that it would be easy to carry on all transactions with some other instrument of exchange, some conventional thing of no intrinsic value, such as paper for example. We have several times seen this system in operation; we see it yet unfortunately every day; we know what it produces, and no reflecting mind can view it with favor; but there is another much more serious school which has combatted successfully the extravagance of the mercantile system, but has found riches in nothing but metallic currency, and has sought to acquire the greatest possible amount of it; this school has committed another extravagance in refusing to give to specie that peculiar importance which it deserves. Hence the erroneous conclusions derived from what has taken place.

Upon the utility of money there is a figure in an American author strikingly appropriate. "The precious metals," says Mr. Carey, "are to the social body what the atmosphere is to the physical world; both furnish the means of circulation, and the dissolution of the physical body into its elements, when deprived of the one, is not more certain than the dissolution of society when deprived of the other." This is substantially the character of a metallic currency: it is an instrument of circulation, par excellence, that which extends the use and gives value to the more substantial things. In order that an article of merchandise may have great stability in value, there is need of two things: first, that it have an extensive market, and secondly, that it can be kept a long time. If it has only a limited market and is perishable, however useful it may be, it cannot escape the immediate effects of the law of supply and demand which

operates upon it in the market where it is sent. Take wheat for example. That article of food is undoubtedly very useful, it can have a very extensive market; but it is not convenient and easy of transport, and cannot be sent far; besides, it is subject to rapid deterioration. If, then, wheat is produced in a much greater quantity than is needed for immediate consumption within the limits of its market, it must fall in price and it will decline so much the more, for the reason that it can hardly be kept in store to wait for the equilibrium to be better established in supply and demand. It will be the same with any other article of merchandise which is less perishable and more convenient of transport, provided it is not so useful. If it exists in a greater quantity than is needed for the almost immediate use for which it is destined, it will necessarily depreciate, for the fashion may change and with it the use of the article may cease. The precious metals, on the other hand, unite a universal utility with a durability which exceeds that of any other product; they are, besides, convenient and easy of transport, are not subject to the caprices of fashion, and consequently everything is in their favor. Suppose the consumption of cereals in France to be 120 millions hectolitres*; if a good harvest furnishes 140 millions, and the markets surrounding have nearly what they need, this seventh part which is in excess of the ordinary consumption can cause a decrease in price of one quarter and perhaps a third—we have seen it many times. On the other hand, in years of scarcity, oftentimes a deficit of 10 or 12 millions of hectolitres is sufficient to send the price up in the same proportion. Not only has metallic currency a very extensive market and one always open, which renders a surplus more difficult, but its market has no appreciable limit, it can expand indefinitely. To day the commercial relations are maintained with 30,000 millions of money, to-morrow it will take perhaps 40,000 millions, and subsequently more in proportion as the commercial relations are extended. There is another fact, and it is one which has escaped certain writers upon political economy. The precious metals have of themselves developed business which eventually absorbed them, and thus have acted at the same time both as cause and effect. It is often said that man's ability to produce is unlimited like his ability to consume; it depends only upon the supply of necessary instruments, and the first in importance of these instruments is certainly that which extends his relations with his fellow-man. This is the service which a metallic currency performs. Like railroads, it brings the products to the consumers, and this ready supply increases the number of consumers and consequently the quantity consumed. You have

* A hectolitre is about 2.75 bushels.

wine, woolen fabrics, manufactured products of any kind, with which you wish to purchase wheat, cotton, sugar and colonial commodities; but it may be that the people who have these commodities may not need at this time your wine and your fabrics. They will not take them in exchange, or if they take them it will only be on conditions unfavorable to you; you will abstain then from buying, and the holders of these commodities will not sell them till they have found a person who has the products which they wish in exchange. In the meantime see how the industrial pursuits are checked in their development, because the people are not furnished with a medium of exchange adapted to their wants. The precious metal presents itself and a medium is furnished.

Every one purchases the products he needs without taking the trouble to inquire whether the merchandise which he has is suited or not to those who sell to him; he is certain of a means of payment which will not be refused. In this manner products are distributed, production is increased, and with it the public wealth. A very conscientious and very competent author, who has written the best things upon the influence exercised by the abundance of the gold mines, M. Newmarch, has endeavored to explain this. "The discovery of the gold mines," he says, "has had the effect to increase wages and riches in the countries where they are found, and to attract there a large population, which, being enriched by the mines, has consumed a much larger quantity of the manufactured products of other countries with which they have been connected. These countries, in their turn realizing profits from their exportations, have also become consumers to a much greater extent, of the products of other countries; and thus, in consequence of the remunerative employment derived from the opening of the gold mines at one point on the globe, the industrial pursuits and commerce have become active everywhere." This explanation has unquestionably its value, but touches only the smallest side of the question. It is as if it were held that railroads have only been useful for the employment they have furnished in their construction and what they still furnish in their operation. On this supposition, if instead of gold mines, iron and copper mines had been worked, which had yielded the same profits, the result would have been the same, since it would equally have furnished markets for the manufactured articles of other countries. One can understand perfectly that such would not have been the case, and that gold mines have had an effect beyond furnishing a field for remunerative labor; they have, like railroads, put in mens' hands the most effective lever for developing public wealth.

Many things have been invented since the beginning of the world which have aided the progress of civilization, but, aside from printing,

there is nothing which has had the influence of railroads and the precious metals, and, we may also add, the electric telegraph. Railroads not only furnish means of distributing the products along their lines, but they also have the merit of making more products; we have proof of this every day before our eyes. A railroad is constructed in a country which was destitute of them, and had not the means of easy communication; the first year the transportation is very limited, the second year it increases, and, after a short time, the rolling stock is insufficient, its capacity is overtaxed. What has happened to bring about such a result? It has been simply the fact that new branches of industry have been created along the line, that those which existed have been developed, and this has happened because the people have had at their command convenient, rapid and cheap means of communication. It is the same with the precious metals. A discovery like that of the placers of California and Australia, by furnishing to the world a great quantity of the instrument of exchange, acted necessarily upon business, and gave it a greater development, a result inconsistent with the reasoning of those who hold that the working of mines is an unproductive labor, because it only helps increase the weight of money; it also shows the insufficiency of M. Newmarch's explanation that there is no source of riches in the new mines except in so far as they have furnished employment for the laborer, M. Hume has said, in speaking of specie, that it was not one of the wheels of commerce, that it was only the oil which makes the movement easier and more agreeable. We think he is mistaken, and that money is precisely one of the wheels of commerce, and one of the most essential; but following out his illustration, we still find that the more abundant the oil, the more means we have to give activity to the wheels, and, therefore, the more is accomplished. The gold mines have of themselves aided the commercial movement which has resulted in absorbing them.

I.

According to this school, in time of a crisis, when the metallic currency becomes scarce and leaves the country, there is no occasion to feel concerned. Products are exchanged for products and it matters very little whether we export specie or anything else. We do not export for nothing; it is a traffic analagous to that of exchanging wine for iron or silk. It is only necessary to let things take their course and the equilibrium will establish itself naturally. It is thus they reason who see in the precious metals only an article of merchandise like anything else. Nevertheless experience teaches us that in a time of crisis when silver goes out of circulation and becomes scarce, society is otherwise effected than by the extraordinary exportation of wine or any other product. If

we export more wine than the local demand will admit of, and it becomes dear, the consumption of the country will be perhaps a little disturbed, and the people will drink less wine than ordinarily; but the producers of that supply will be enriched; they will become consumers upon a greater scale, of the products of other industry, and on the whole the country will have gained by it more than it will have lost. The inconvenience will be partial and the advantage will be general. It is not the same in respect to money; a crisis comes for some reason or another; we are debtors abroad beyond what we are able to pay by the regular course of commercial exchange, we must pay the differences in money, and these demands encroach upon the stock which is needed in the country. The specie reserve in the banks diminishes, gold and silver are in demand and become very dear. What is the result? Is there a point where the evil may be stopped—Not at all. Commerce and all branches of industry are at once affected everywhere. There is no one who does not suffer from the difficulty in obtaining silver and from the high price it commands. A metallic currency is the base which sustains all transactions, the pivot upon which they all turn. It is possible by a skillful arrangements in using credit to increase the circle of these transactions, but it is not possible to do away with the base nor weaken it sensibly without damage and great damage to society.

It is to be remarked here that a metallic currency becomes the more necessary when there is a crisis. Credit then fails and everyone seeks that which affords the greatest security in business, that is specie. If then at these times, trusting to the general maxim that after all products are exchanged for products, there were no especial attention paid to arrest the exportation of money by effective means such as may be used to advantage, for example, a sudden advance in the price of discount, we should soon be thrown into the greatest embarrassments, no industry would escape the effects of it, and we should see our commerce declining, as in the countries where paper money rules. A metallic currency is still more than the base of commercial operations, it is the main-spring which sets in motion the active operations of a country. We have no need to cite examples in support of this proposition; they are furnished by every crisis; it suffices to recall what took place in 1857 in Europe, and particularly in England. We can also remember the complaints in our country, when, during two years in succession, 1863 and 1864, the Bank reserve did not exceed 200 millions, and it was necessary to raise the rate of discount to 7 and 8 per cent. It was plainly seen then that the metallic currency was not an article of merchandise like anything else, and that it demanded more circumspect treatment than ordinary products. Now, it is the same point of departure which causes the errors respecting the influence exerted by an abundance of gold mines.

It is imagined that gold, being an article of merchandise like any other, cannot become suddenly abundant, much more abundant than it was, without undergoing a certain depreciation. "The abundant supply of precious metals," says Hume in his essay upon money, "is a cause of loss to a nation in its foreign commerce, because it raises the price of labor and merchandise, and obliges every one to pay out a greater number of the little white and yellow pieces." Bastial, even, who had seen the commencement of the production of the California mines, said, in speaking of the countries producing gold and silver, "The more you send us of precious metals the better it is for us, for this permits us to have more gold and silver for making spoons, forks and knives; but it is so much the worse for you, for we do not send you more cloth and iron for the increased amount than we send you to-day for the lesser quantity."

In this estimate there were two errors: first, in supposing that the superfluity of gold and silver was destined principally, if not exclusively, for the manufacture of spoons and knives and, we will add, even jewelry; secondly, in admitting that the depreciation of the precious metals is in proportion to the increase in quantity. We might cite other authors who have gone further and who have even considered the working of the California and Australia mines in the light of a misfortune and a loss, for the reason that it has diverted from agriculture and industrial pursuits much sinew and capital which have been devoted to unprofitable work, that of increasing the medium of exchange to an extent that will render it more inconvenient, because it will require more of it for the same transactions. These opinions appear really very extravagant to-day, after the experience we have had since 1848; but it is not easy to explain how so many hundreds of millions turned out every year by the mines have entered into the circulation without having more effect upon it. It is a point which requires elucidation. We are twenty years removed from the commencement of the working of the California mines and seventeen from that of the Australian mines. The gold furnished by these mines, exclusive of other sources of production, may be estimated at 15 or 16 thousand millions [about \$3,000,000,000]. We have then under our eyes a field of observation sufficiently large, and if we cannot judge positively, by what has occurred during these twenty years, of what will take place in future, on account of the intricacy of the monetary phenomena and their disturbance by circumstances, we can at least make some useful deductions. According to some authors, the value attached to what are called the precious metals, arising from their use for manufacturing purposes, ornaments for example. It is admitted that they also derive a value from their use as money, but this is considered subordinate to the other, and when we compare particularly the intrinsic value of the pre-

cious metals with other conventional substances which are proposed as a circulating medium, paper for instance, we are very quick to note the advantage which the metals possess, of being adapted to manufacturing purposes, and it seems to be thought that from this quality only they have been adopted as a standard of value. Nothing is more false. The industrial pursuits for their various uses do not employ a tenth of the precious metals which are produced according to the estimates made by all competent judges who have examined the subject. Consequently, out of the 40 and odd thousand millions which have been taken from the mines during three centuries added to the 18 or 20 thousand millions which have been extracted since 1848, if we subtract one-quarter for loss and only consider its uses for industrial purposes, there will remain about 40 thousand millions, with no foundation for its value. It has a foundation for its value, however, which is its use as money, by the side of which its use for industrial purposes is nothing, and it is precisely because it has this foundation which is of the most substantial kind, that people have entertained the idea of using gold and silver for ornaments; otherwise, no one would have thought of it sooner than they would have thought of making jewelry and ornaments of iron or copper. The truth is, then, just the contrary of what has been held: it is its value as a monetary standard which has given to it its value as a material for ornaments. It has sometimes been said that it was in consequence of a conventional arrangement that these metals became monetary standards, that any other might have been adopted. This is a great mistake. The metals which are called precious have not been conventionally adopted; they have forced themselves into use by reason of their peculiar qualities which no other material possesses. Wheaten bread and wine are certainly very useful in the world, yet they have not a use as general as specie. We find people who do not eat bread nor drink wine, but have substitutes in rice, potatoes, beer and other fermented drinks. Even wool, which serves to clothe us, is not used everywhere; it is replaced by cotton or other tissues. It is not the same with a metallic currency. When a people does not possess it, and their commercial relations are conducted by means of barter, that is to say, an exchange in kind, it is in a primitive and barbarous state, and only commences to emerge from that condition when it adopts the precious metals as a medium of exchange. It is also seen what results to civilized people who, after having abused their resources, are compelled to dispense with metallic currency and to perform their exchanges by means of that conventional medium styled paper money. They are checked in their industrial and commercial developments and grow poorer year after year.

Now to what extent have they done this? Have the products which they have furnished been only proportional to the activity in business which they have produced? Have they been greater? This is the new question which we purpose to examine, a question of fact rather than of theory upon which authors are divided, and one which it is very difficult to settle authoritatively.

II.

The greatest monetary revolution which has taken place in the world, dates, we have said, from the discovery of America. At that epoch, 1492, in the opinion of most writers upon the subject, there was in Europe and in the civilized countries with which Europe had commercial relations about one thousand millions of coin—300 millions in gold and 700 millions in silver. The rest of the production anterior to that time had been buried during the barbarous period or destroyed. They did not at first find in America that richness in precious metals which was subsequently discovered. Nevertheless, from the first, much gold was exported which went to enrich Spain. One will recall the famous galleons which were the admiration of the world; a little later, from 1520 to 1530, when Ferdinand Cortez took possession of Mexico, and Pizarro of Peru, the yield increased perceptibly; but it was not at its height until the discovery by chance—as almost always happens—of the famous mines of Potosi. Then the working of the mines commenced upon a larger scale, and Europe was soon inundated with the metals which were obtained. M. Jacob estimates that in the course of the 16th century the supply of precious metals was about 3,615 millions. There is a difference of opinion as to what was the ratio of the specie in existence at the time of the discovery of America, to the amount in existence at the time of the opening of the California and Australian mines. Some calculate as 1 to 11, others as 1 to 7 or 8, and still others as 1 to 6. This last estimate is that of M. Newmarch, in his *History of Prices*; it is also that of Leber in his *History of Private Wealth in the Middle Ages*; it appears to be the most accredited. In 1492 then it required but one-sixth of the amount of specie which was required in 1848 to make the same purchases. This applies, it will be understood, to articles for which the value has maintained a certain constancy for centuries, and such articles are more rare than one may imagine. It cannot be gainsaid, indeed, that in spite of the depreciation of specie, there are to-day—owing to the progress of the industrial pursuits—many products which are cheaper than in the 15th century—for example, all which relate to clothing and to the comforts of life. One is clothed at less expense than at the close of the 15th century, one travels at less expense and much easier, and when it is

said, relying upon this depreciation, that it would require an income five or six times greater for a nobleman to live now as one lived then, it is a great mistake; he could live much better, he could procure a variety of enjoyments which did not exist then, or which were accessible only to a few.

In adopting the price of wheat as a standard of comparison, it is generally admitted that the value of specie does not commence to diminish before the second quarter of the sixteenth century; calling it 4 in the second quarter, it fell to 3 in the third quarter, and finally in the last year of the century, and even up to 1620, it continued to fall, and reached 2, where it remained fixed up to the revolution in 1789. Some persons deny that any serious change was produced before 1560. According to them, the depreciation did not commence till that epoch and continued to 1620 or 1630; but whatever may be the difference of opinion as to the amount of depreciation and the time when it commenced, every one agrees that the great monetary revolution was accomplished near the close of the first third of the 17th century, about one hundred and forty years after the discovery of America, and that there was no serious change besides, up to a time very near the present.

Now, we are anxious to determine what has been the production of precious metals during the epoch in which the revolution was accomplished, and what it has been since that time. M. Jacob, we have said, estimates at 3,615 millions the entire production of the sixteenth century; he extends to 1,000 millions that of the seventeenth century, and supposing that a third of this belongs to the first thirty years of the century, we have a production of 6,000 millions to be added to the 1,000 millions which is thought to have existed before the time when the great change in the value of precious metals commenced. The increase in quantity would have been 600 per cent, and the depreciation only 200 per cent. It results, therefore, from this, that the depreciation of specie is not necessarily proportionate to the increase; but what has a greater significance still is the production which succeeds the monetary revolution.

The seventeenth century, according to M. Jacob, furnished 10,000 millions, which would be 7,000 millions subsequent to 1630. The eighteenth century produced, according to the most probable valuation, 20,000, in all 27,000 millions, which must be added to 7,000 millions supposed to have been in existence about 1630, that is to say, an increase nearly quadruple, and yet in spite of this increase no one has observed up to the middle of the eighteenth century any further important depreciation of the precious metals. It is supposed that a new change took place about 1789, and that the value of silver, which we found reduced from 2 to 1 in 1630, went up again to 2, that is to say, the value which

it had in 1848. Still there are other authors who deny this and who think that the last change occurred in the first half of the nineteenth century. However, the difference of opinion is of no importance, because supposing the depreciation the most considerable, we still find that from 1630 to 1789, it has only been 100 per cent, while the increase in quantity of the precious metals was 400 per cent. The same phenomenon continued during the first half of the nineteenth century. It is asserted that the production of that century, up to the discovery of the California mines, was about 12,000 millions, of which 8,000 at least were imported into Europe, and these 8,000 millions have been added to a stock of metals which, in 1800, amounted to about 26 or 27,000 millions. This is an increase of near one-fourth, and the increase has produced scarcely any effect. If the price of things has advanced since that, it is from causes foreign to the value of the precious metals. This is recognized by every one; there is only a difference of opinion as to what has occurred since.

We have said that some years after the opening of the California and Australian mines, the yield of precious metals had increased from 450 to 11 or 1200 millions per year; but it is necessary to deduct what was produced by countries with which the civilized world had little intercourse, such as Asia and Africa, which kept nearly all they furnished. There remains the production of the civilized world which is all that we need take into account. M. Michel Chevalier, whose remarkable labors in this field have won for him great distinction, estimates it in 1865 at 14000 millions. Let us add to this 3000 millions for the three years which have elapsed since, and we have 17000 millions for which it is necessary to deduct still what has been exported in gold and silver to those partially civilized countries which return but little of what is sent them of precious metals, such as India and Japan. M. Michel set this amount in 1865 at 3311 millions. It is necessary to deduct, in the second place, what has been lost by wear and accidents, such as shipwrecks and burying, which amounts to a considerable sum upon the whole stock of metals. The estimates for this can only be hypothetical and, therefore, vary a great deal.

According to some, the loss is about $\frac{1}{2}$ per cent per annum for silver, and about $\frac{1}{4}$ per cent for gold; others set it higher, and make it amount to 1 per cent altogether. We shall not inquire which is the most probable. Precision in this point is of secondary importance in reference to the question which we are now discussing. It suffices to have an approximate figure, and if we set the loss for wear and accidents of every kind at $\frac{1}{2}$ per cent for the whole, it amounts to 200 millions per annum and 4000 millions for twenty years, which is not far from the truth. We

shall have then about 7500 millions to deduct from the 17000 millions furnished directly from the working of the mines. There remains 9500 or 10000 millions for the increase of precious metals since 1848. M. Newmarch, whose calculations we readily accept, has found that in 1848, after deducting for all loss, there were probably in the civilized countries, Europe and America, 84000 millions of precious metals (in round numbers), of which 20,000 millions were in silver and 14,000 millions in gold. The 9 or 10000 millions just alluded to, or near that amount, constitute, upon the whole metallic stock, an increase of 25 to 30 per cent in 20 years, which is $1\frac{1}{4}$ to $1\frac{1}{2}$ per cent per annum.

Is this an increase sufficient to have brought about a depreciation of the precious metals? Some persons have thought so, and have even calculated the amount of that depreciation at different epochs in the period of twenty years, which separates us from the discovery of the California mines. Some have set it at 9, others at 15, and still others at 20 per cent. In order to make the calculation, they have obtained the price of certain commodities at the different epochs they wished to compare, and according to the variations in price which they have observed, they have estimated the depreciation. We understand this to be the proper course to take to estimate the variation in the price of things at different epochs; but to proceed with any security and to be at all certain that we do not deceive ourselves in the cause to which the variations are attributable, it is necessary to go over a long space of time in order to avoid accidental disturbances; if we have before us only a very short period, these accidental influences are in operation and aid in bringing about the results upon which our calculation is based. Here is unfortunately the error of the calculations to which we have alluded; they have been calculated for a period of ten or fifteen years. Now, for this period, what a variety of circumstances besides that of the production of specie may have modified the price! We have had, first, the extraordinary impulse given to business after the *coup d'etat* of 1851, then the influence of the Crimean war in 1854 and 1855. If we adopt wheat as the standard of comparison, it is necessary to take into account three consecutive years of scarcity, from 1854 to 1856. In 1857 occurred a formidable crisis, the result of excessive speculation. If we extend the comparison to our time, 1868, we find still in 1859 a new war, that of Italy, with all its consequences upon the political future of Europe. In 1863 and 1864 there were new financial embarrassments, having nearly the same causes as in 1857. In 1866 came on the German war which disturbed the equilibrium of States, and, finally, since that time, for reasons well known to every one, Europe finds itself plunged into apprehensions of war, and lives in the greatest inquietude. Hence a

prolonged stagnation in business, which is not without its influence upon the price of things, and yet is not a normal condition. What conclusions can be derived from a period so full of incidents, and so darkened with storms that there is hardly a vista of clear sky during the time? Certainly no definite conclusions as to the value of the precious metals.

It is evident that the price of certain things has not materially advanced since 1848. The price of meat, vegetables, wine and provisions generally is higher to-day than at that time, so also are luxuries and certain materials of the first importance in manufactures. The price of handwork and salaries have proportionately advanced. It will be recollected, on the other hand, that all products have not undergone this advance. There are some which have to-day the same price as in 1848. If we take wheat, for example, and select, from the period of twenty years which have just elapsed, the years of scarcity, we shall find the mean price to be about 18 or 20 francs a hectolitre. It fell even to 15 and 16 francs in 1864 and 1865, when agriculture made such bitter complaints and asked for an inquiry into its grievances. The same stagnation applied to wool and other commodities. Sugar is cheaper than in 1848, and as to the larger part of colonial commodities such as coffee, chocolate, tea, although the consumption has increased very considerably, the price has advanced but little. In fact, the price of manufactured articles in general has rather diminished than increased. Iron is materially below its value in years preceding 1848, and one can be clothed at less expense now than twenty years ago. What is the inference from this? That the high price of certain things depends upon some other cause than the depreciation of specie. It depends upon the development of public wealth, which has changed every one's condition and increased the general consumption. Where the production has kept pace with the consumption prices have varied but little; they have not advanced except where the production has been much in arrears. They have varied but little for wheat, because, owing to the progress of agriculture, nearly enough has always been raised to meet all demands, and besides, the consumption of this article of provisions is not unlimited. One does not eat more bread because he is richer. Wool, also, on account of its importation from abroad, and particularly from Australia, has remained very nearly at the level of demand. Hence the stagnation in price. As to sugar, there has been much progress in home manufactures, which has naturally brought about a diminution in the net cost. It is the same with all manufactured articles; a much greater quantity is consumed now than twenty years ago, but the results of scientific appliances are such that the increased consumption is provided for, and still the articles are sold cheaper. Production never falls behind the demand; it out-

runs it even, which in some cases brings on crisis and a fall in prices, like that of which the iron manufacturers are complaining at this time. As to colonial commodities the prices have not advanced sensibly, because, owing to the extent of the markets which furnish us and to the means of transport, which have become more economical and more numerous, these commodities arrive in as great quantities as we desire. The things which have advanced in price are those, I repeat, of which the quantity can not be increased at the will of the consumers. There is certainly more wine produced to-day than there was twenty years ago, and our frontiers are open for the introduction of cattle, yet the consumption has so increased by the development of riches that the demand is still greater than the supply. Different from the case of wheat, this latter article of food is a kind which is consumed in greater or less quantities, according to the facility of obtaining it; and it is not necessary to enter into details to show that a very much greater use is made of it to-day than before 1848. It is the same with vegetables, with wine, and also with raw materials for manufactures. The progress in manufactures makes a demand for raw material and the price is raised because it is not so easy to increase the quantity as to work it up. It is the triumph of the genius of man to have succeeded, by means of economical appliances, in realizing this phenomenon, in appearance paradoxical, dearness of the raw material and cheapness of the manufactured products. It is the same cause which has raised the price of hand work; labor has been more employed, the demand for it has increased, and naturally we have had to pay higher for it; but the dearness of all these articles has nothing to do with the depreciation of the precious metals. Otherwise it would have affected as well those products which have remained at the level of consumption, for certainly, the equilibrium which has been sustained in these would have been broken as far as specie is concerned, the moment it became more abundant, and it would have taken more of it to make the same purchases, according to the natural law of supply and demand. This is what happened after the discovery of America. As soon as the depreciation took place, it was perceived with wheat as with all other merchandize, and wheat was even taken as a standard to measure that depreciation.

Besides, at the time when the authors of whom we speak made their calculations to prove the depreciation, the most of them about 1857, the commodities which they took for a standard had undergone an exceptional rise, due to the operation of excessive speculation which had taken place previously. We were encountering one of the greatest commercial crisis which had been known for a long time. Prices experienced a sensible fall later, and to-day, after ten years, they are generally below what they

were in 1857. The *Economist* gives a very explicit statement of them. It takes twenty of the most common kind of merchandize, coffee, sugar, tea, meat, indigo, oil, lumber, tallow, leather, iron, lead, tin, cotton, flax and hemp, silk, tobacco, and ordinary cotton stuffs. Only four of them were on the 1st of January, 1868, above the price of the first of January, 1857; these are butchers meat about 7 per cent; indigo, about 27 per cent; oil, about 2, and tobacco about 5. All the others are lower—coffee about 6 per cent, sugar about 40 per cent, tea about 32 per cent, lumber about 9 per cent, tallow about 30 per cent, leather about 40 per cent, iron about 30 per cent, lead about 26 per cent, tin about 34 per cent, cotton about 17 per cent, silk about 25 per cent, wool about 23 per cent. With the close relations which exist to-day between the principal markets, we may conclude that what has taken place in England has equally been the case in France. It results from this statement, that aside from the years 1863 and 1864, when prices nearly reached the level of 1857, resulting from enormous speculation, they remained generally below that level. This goes far to show that the exceptional advance in prices which the most part of these commodities underwent from 1852 to 1857 did not proceed from a depreciation of the precious metals; otherwise it would have continued, since the products of the mines have been more abundant than ever. Since 1857 California and Australia alone have furnished at least 7000 millions of gold. It has only continued upon certain commodities and in particular upon articles of food. The reason of this is, that in spite of the check given to many kinds of business, people continued to consume more, owing to increasing riches and the force of habit, and the production did not keep pace with the consumption. There would have been depreciation, if we had had less means than in the 16th century for employing the 25 per cent increase in the precious metals, which we have shown to be the increase since 1848; and the contrary has been the case. Without speaking of other inventions which have multiplied commercial transactions by increasing production, we may characterize the difference between the present and former condition by two things: railroads and the electric telegraph. At the time when these two important inventions were first applied in a very limited way, there was a stimulant for the development of business such as we have never before known at any epoch, and what is remarkable, is the coincidence of these two inventions with the discovery of the gold mines of California and Australia. Without these mines we should certainly have made the railroads—they had been already commenced—but they would have been made much more slowly, and we would not have been able to devote to them 400 millions per annum, as we have done in France for more than fifteen years. And then

what a difference in the results ! Business would not have received the development which we see if it had not found a solid basis in the increase of the precious metals. The gold mines came just in time to give to railroads and the electric telegraph their full development in results. On the other hand, if gold, in the quantities which were furnished at once, had come alone, unaccompanied by the greater facilities of communication and transport, it would not have been absorbed so easily—it would have been depreciated—and would not have produced the effect upon business which it did. The gold of California and Australia has served to extend the railroads and they, in turn, by the influence they have exerted upon commerce, have furnished channels for gold. It is thus that improvements are connected one with another, and that humanity advances through discoveries towards an ideal civilization beyond our knowledge.

Let us see now by figures how we can account for the increased quantity of specie since 1851. Every one knows that business has been much more extended, commencing from that epoch ; but it is not generally known in what proportions, and this is a very important point to be presented. In 1851, at the time when the working of the mines of Australia commenced, on the eve of a considerable political change which took place in France, the foreign and domestic commerce of our country, exports and imports united, aside from the movement of the precious metals, was less than 200 millions (1,923 millions). It was more than 6,000 millions in 1867, which was a bad year, and it attained to 7,500 millions, including the precious metals.

The amount of the operations of the Bank of France was raised from 1,592 millions in 1851 to 7,372 millions in 1867, after having reached 8,292 millions in 1866. These figures are significant, and furnish the measure of the development of business, which has more than tripled since 1851. Supposing that we have had a proportional share with the rest of the world in the increase of precious metals furnished by the mines—that our metallic stock in particular has been increased 25 per cent, 40 per cent even, if you please, this 40 per cent increase of the precious metals has not been sufficient to meet the demands of the triple or quadruple amount of business. The same progress has taken place in England ; the foreign commerce of less than 5,000 millions in 1851 exceeds to-day 15,000 millions. I know that it is necessary to take into account the great rapidity with which the precious metals circulate at present, the facilities which have been furnished in this respect by railroads and the substitution even of gold for silver ; that is to say, a metal having greater value for one having less. It is necessary to take into account also all the means of credit which have been much expanded within fifteen years, the expansion keeping pace with that of business ;

but there is a wide margin between 40 per cent more of specie and 3 or 400 per cent more of business; and whatever allowance may be made for these circumstances we shall still find enough to absorb largely the increase of precious metals furnished by the mines.

Proof that the precious metals have not been too abundant—more abundant than business has required, is found in the fact that several times in this period of twenty years there has been an insufficiency of gold and silver. Never before has such a price been paid for specie. If it is otherwise to-day, and if our principal financial institution is overflowing with specie for which it has no use, it is a condition entirely exceptional, for which we have pointed out the reason in a former article* and does not in the least degree indicate to what extent our country is capable of employing the precious metals in ordinary times. If instead of 1,300 millions cash balance which the Bank of France has to-day, it had only two-third as much which could not be received into the circulation, that would suffice to bring about a depreciation. Gold would be worth less at home than elsewhere; it would leave the country and we should pay much more dearly for everything we purchase. Now the contrary of this is the case. As raw material tends towards that country which can use it to the best advantage, and which consequently can pay the most for it, so the precious metals in general go to the country where their purchasing power is greatest. Consequently if we see them abound with us, it is because they have not diminished in value. Let us examine the average prices of grain, and we shall see that in England, with the exception of articles of food and certain objects of luxury, which the increase in comforts has rendered necessary, most articles of merchandise, especially those which are thought to have been affected by the depreciation of gold, are to-day below the market value of 1857, 1863 and 1864. They are affected by the stagnation in business as formerly they were affected by the opposite condition of things. The increase in the price of articles of food and luxury is so intimately connected with the increase of public wealth, that they are everywhere inseparable, and these articles become dearer as public wealth increases. Before 1848 they had become very dear in England and Holland, dearer than with us, for the simple reason that there was more wealth there. Since 1852 France is certainly the country which, owing to various causes, has made the most progress in the industrial pursuits and in commerce, that in which there has been the greatest comparative increase in wealth. So it is the country where articles of food and luxuries have the greatest demand. They are to-day at nearly the same level as in England and Holland. Besides, if a more

* See the *Revue* of May 15, 1868.

decisive proof were needed, it would only be necessary to cite the example of the United States. In that country for a long time, even before the discovery of the new mines, articles of food and luxuries were higher than anywhere in Europe. Why? Because the development of riches was greater, there were more consumers for the same articles, and the production was largely deficient.

If it is meant that the precious metals have no longer, with respect to merchandise, the same power of acquisition as formerly, that it is necessary to give more for things, and that this is the effect of the influence of the gold mines upon the development of public wealth, we have no difficulty in assenting to it; but there is a great difference between this and a depreciation of specie. If articles of food are dearer it is because there is more wealth to pay for them. The level of riches has risen nearly the same for every class; for some because they have increasing revenues; for others because they are producers and sellers of all which has advanced in price. The wages of workmen even have not remained long below what they should be as participants in this advance, and to-day, generally, in spite of the dearness of commodities necessary for life, the condition of the working class is better than it was twenty years ago. It is especially better in the country, where the spirit of economy rules more than in the cities. There is no serious difficulty except for those who have fixed salaries and settled revenues. Still, as regards the fixed salaries they can be raised up to the level of public riches, and they are raised in fact constantly. As to settled revenues, which are after all an exception, they are subject to the law of humanity, which wills that nothing shall be immutable. If those who possess them do not find them sufficient they must resort to labor for what is wanting.

Now from the fact that the precious metals have not yet undergone a serious depreciation, which can be plainly shown, does it follow that it will always be so in future? The gold deposits are far from being exhausted. In California they extend, it is said, over a surface 1,250 kilometres* in length, by 115 in breadth, along the chain of mountains which border the Pacific. In Australia, which is a country greater than Europe, they extend over nearly the whole surface. Russia is constantly furnishing new mines in the mountains which separate it from Asia, in the Ural, the Altai, and even on the plateaux inhabited by the Kirghis. As to the silver mines here is what was said of them forty years ago by M. de Humboldt: "The abundance of silver is such in the chain of the Andes, that in reflecting upon the number of deposits which have not been touched, or which have been only superficially worked, one would be tempted to believe that the

* A kilometre is little more than 3-5 of a mile.

Europeans have but just commenced upon an inexhaustible store of wealth such as the New World possesses." Without seeking to make an estimate which would be impossible, it may be said, without fear of exaggeration, that there has not been taken from the mines already discovered—those recently discovered especially—a tenth of the wealth they hold. And now that their working has become more regular—that it is done with capital, with machines, and in a scientific manner, we may expect for a long time an excessive yield; perhaps we shall succeed in doubling the present metallic stock. Will the effect be always the same; shall we be able still to absorb the additional supply of precious metals? This is a question which pertains to the future, and one we are not able to determine. All we can say is, that this prodigious increase—if it takes place—will be comparatively slow. Supposing that the mines which are worked to-day continue to furnish 1,000 millions per year, and that three-quarters of it goes to the civilized world—deduction being made for loss and exportation, and this calculation is evidently very liberal—it will take more than sixty years for the present metallic stock to be doubled, and eighty years for it to reach 100,000 millions. At the end of that time, according to what took place following the discovery of America, the depreciation of precious metals would be 50 per cent; but in the mean time what are the elements tending to diminish that result: First, the progress of the industrial pursuits is much more rapid to-day than formerly. They progress, if I may be allowed the expression, by steam; and as the wants of man may extend indefinitely, there is an immense field in which to employ the precious metals.

The English *Economist*, in presenting a tabular statement of the increase of business in England, during twenty-two years, from 1843 to 1865, fixed the consumption per head in 1865 at 41 1-10 lbs. sugar, 3 3-10 lbs. tea, 3 6-10 lbs. rice, against 16 5-10 lbs. sugar, 1 5-10 lbs. tea, and 1 lb. rice in 1843, that is to say, the consumption had almost tripled. The increase of foreign commerce per head, in like manner was represented by 108 against 38; and as it was necessary to take into account the increase of population, which, according to the average in England, was about one-third for the same space of time, it resulted that the positive progress in twenty-two years was represented by an increase of products of 400 per cent. Let us apply this calculation to the future with a great deduction. Suppose that during the sixty years which will have transpired before we have doubled our metallic stock, the advance is only what it has been in England in twenty-two years; if we add to this the amount necessary for the increase of population, which we will estimate at 50 per cent—although the average period for doubling the population is, for Europe and America, at least 80 years—we have an amount of business 450 per

cent greater than it is at present, and we shall have, to meet this, double the amount of specie. The industrial pursuits, and the arts also, by reason of the increase of wealth, will employ more; they can take 200 millions, for example, instead of 100 millions, which they employ to-day.

These figures show that we shall be under the necessity of resorting more than ever to means of credit; yet, in admitting that we may by this means be able to make up in a measure for the insufficiency of specie, we do not go so far as to suppose, like certain enthusiasts, that we can some day do without it. We think, on the contrary, that more of it will be needed in proportion to the increase of business. It is like a pyramid which may be raised in height or proportion to the breadth of base. We may grieve at present to see 1,800 millions of specie inactive in the vaults of the Bank of France, but we may felicitate ourselves upon it in the future; when the political distrust shall have ceased and the spirit of enterprise shall have been renewed, we shall find in this the means of greater activity. Finally, in considering the use to which these precious metals may be put in future, we must not forget besides, that there are to-day in America and Europe great States by our side, which have about 10,000 millions of paper money, and that they will not always remain in that condition. They will suppress their paper money and recall a metallic currency. We find still another channel for their use, not less important, in the relations becoming more and more active, which we are forming with the East. Those countries are very eager for precious metals; they are far from having all that they are able to use—all that they will be able to use one day—when they become richer. Consequently, if there is no assignable limit to the production of the precious metals, there is also none to their consumption, and we may hope that the two forces brought in contact will succeed in neutralizing each other—that specie will maintain nearly its present value, and that there will result from it only a very great stimulus to the increase of public wealth.

If, however, depreciation happens in spite of all, it will be no cause for regret, and we ought to refrain from thinking that it can cause serious trouble to our well-being. In the first place, it would be slow and gradual, and we should have time to prepare for it and to arrange our business accordingly. This is what happened in the 16th century. When the monetary revolution was accomplished every one conformed to the new order of things, and society was richer than ever. Another consequence yet of depreciation and a fortunate one, is the importance which labor assumes in respect to acquired wealth. The one gains in value, the other loses, and, by this means, equality is produced among the different classes of society. One of our distinguished contributors,

M. de Laverleye, has said in this *Revue* (*) that in the 16th century the abundance of the precious metals had contributed to the elevation of the common people, and that, in the 19th century, the abundance of gold would contribute to the emancipation of the people; nothing is more correct, and we prefer this kind of emancipation to that which the laborers dream of in their social Congress. It has the merit of being conformable to the laws of political economy, and of tending to no violent disorder.

VICTOR BONNET.

CHESAPEAKE AND OHIO RAILROAD.

One of the chief projects of the State of Virginia has for many years been the construction of a railroad which should connect the waters of Chesapeake Bay with those of the Ohio River, the distance between Richmond, Va., and the mouth of Big Sandy River, the terminal points, being upwards of 400 miles.

The Virginia Central Railroad, including the Blue Ridge Railroad constructed by the State, covers a little more than one-half of this line, and together have cost nearly \$6,000,000. The Covington and Ohio Railroad, the construction of which was undertaken by the State of Virginia alone, has to date cost about \$3,250,000. Since the erection of the State of West Virginia nearly the whole of the unfinished line is included within its limits.

The important ends to be gained by the completion of the Covington and Ohio Railroad led to identical action on the part of the two States most interested, and under acts passed by the Legislatures of each in 1867 commissioners were appointed whose duty it was to contract with any party which could give satisfactory assurances of being able to complete the road between Covington, Va., and the confluence of the Big Sandy with the Ohio River. The acts specially referred to the Virginia Central Railroad Company, and provided that in case that Company should take the contract, they should acquire all rights, interests, &c., in the work now held by the States aforesaid and under the general title of the Chesapeake and Ohio Railroad Company become owners of the line.

The Chesapeake and Ohio Railroad, as thus organized, will begin at Richmond and run west through the Alleghany Mountains and West Virginia to the Ohio River, a distance of 405 miles. A branch line will also be built from a point 14 miles west of Charleston, W. Va., to Point

* See the *Revue* of April 1, 1867.

Pleasant, thereby making two termini on the Ohio River and connections with the network of railroads already completed or now being constructed in the Northwest, West and Southwest. At Richmond direct connection is made with West Point on the deep waters of York River and also with Norfolk. A line is also projected to connect with Newport News, together giving the road three termini on the tide-waters of the Atlantic ocean.

On the 31st of August, 1868, the commissioners appointed under the acts aforesaid and the Virginia Central Railroad Company signed a contract giving to the latter the authority necessary to construct the line from Covington, together with all the franchises, &c., conferred by said acts, and from that date the Company assumed the title of the Chesapeake and Ohio Railroad Company.

The amount of money required to complete the roads is about \$13,000,000. Of this about \$5,000,000 has been secured by stock subscriptions and the remainder by the issue of bonds secured by a fresh mortgage on all present and future property of the Company. For this purpose a mortgage for \$10,000,000 was executed on the first day of October, 1868, the trustees being Philo C. Calhoun, William Butler Duncan and William Orton of New York, and Mathew F. Maury of Virginia. The bonds issued under this mortgage have thirty years to run from October 1st, 1868, and are made payable, principal and interest in gold, either in New York city or London. They bear seven per cent interest free from United States Government tax, payable in gold or sterling, at the option of the holders. The mortgage deed also provides for an accumulative sinking fund, to commence one year after the completion of the road. Of the total issue authorized, \$2,000,000 are to be set apart in trust for the payment of the bonded and floating debt of the Virginia Central Railroad Company, to whose property, rights, branches, &c., the Chesapeake and Ohio Railroad Company succeeds. By special acts of Virginia and West Virginia all the property of the Company is exempt from State taxation until 10 per cent dividends are declared from net earnings upon the capital stock.

The Chesapeake and Ohio Railroad will pass through a country abounding in natural resources—iron, coal and salt being among its principal products. It will connect the Western waters and those of the Atlantic by the shortest line, and at its ocean termini find harbors capable of receiving the largest class of ships. Norfolk has 28 feet, Newport News 22 feet and West Point 21 feet water. The distance from Richmond to the Big Sandy is 405 and to Point Pleasant 398 miles. From Richmond to Cincinnati, by the Chesapeake and Ohio Railroad, the distance is 545 miles, to Louisville 621 miles, to Chicago 792 miles, and to St. Louis 885 miles. The shortest existing lines from Cincinnati to New

York is 756 miles, from Chicago to New York 911 miles, and from Louisville to New York 862 miles. It is thus apparent that the distances from the Ohio River to tide-water are much shorter by this route than any now existing, and also that it must, in the order of things, become a strong competitor for the commerce originating in the great interior and aggregating in the Atlantic seaboard ports. The establishment of steamship lines from Norfolk to the principal freight ports is a part of the programme.

If we were to measure the ultimate success of the whole road by the success of a part which has been in operation for years, we should fall short of what promises to be the actual result. The existing portion of the line has no western connections, and its terminus is in the midst of a wild and but partially improved country. Yet in the year 1867-68, the gross earnings amounted to \$599,354 06, and the net earnings, after paying all expenses on account of operations, amounted to \$162,705 57, enough to pay 7 per cent on the whole outstanding debt and liabilities of the company and leave a considerable surplus for the stockholders. As the road is extended to the Ohio, it will then have changed its local characteristics and assumed those of a great trunk line, and with this change must come far more favorable results.

EVANSVILLE AND CRAWFORDSVILLE RAILROAD.

As now existing, the Evansville and Crawfordsville Railroad expands in a north and south direction between Terre Haute and Evansville, Ind., a distance of 109 miles, with an extension northeast from the first-named city to Rockville, 23 miles in length. By July, 1869, Evansville, the southern terminus of the road, will be connected by the Evansville, Henderson and Nashville Railroad, now in rapid progress with Nashville, and thence with lines diverging southeast, south and southwest to the Atlantic, Gulf and Mississippi River. At Vincennes it will be intersected by the line now being constructed between Indianapolis and Cairo, and at Terre Haute by the line between Indianapolis and St. Louis. Terre Haute will also be the southern terminus of the Chicago, Danville and Terre Haute Railroad, which will afford a very direct line to Chicago, a few miles north of Terre Haute, the line now under construction between Indianapolis and Paris, and at Rockville the line between Indianapolis and Paris (the Indianapolis and St. Louis) will cross it. The further extension of the road to Crawfordsville, a distance of less than 20 miles, will connect it with the northern division of the Louisville, New Albany and Chicago Railroad, and also with the Toledo, Wabash and Western Railroad, and

other lines pointing north, northeast and east. Thus a line which has hitherto been almost isolated from the commercial world, is to become, at an early date, a link in one of the great central north and south lines from the Lakes at many points to the Gulf of Mexico, with connections which will give it outlets on the South Atlantic coast at Charleston and Savannah, and on the Mississippi at Memphis and New Orleans.

The rolling stock on the road is ample for its present business demands. At the close of the last fiscal year (August 31, 1868), this consisted of 15 locomotives and 216 revenue cars, viz.: 11 passenger, 1 paymaster's, 4 baggage, mail and express, 81 local and 37 compromise box freight, 28 platform, 31 coal, 10 stock and 10 construction cars; also 27 hand and 17 push cars. The number of miles run by trains in 1866-7) was 272,310, and in 1867-68, 254,192.

The gross earnings, expenses and profits for the last two years are compared in the following statement:

	1866-67.	1867-68.	Increase.	Decr'se.
Passenger earnings.....	\$190,575 23	\$193,981 28	\$3,406 05	\$....
Freight.....	229,947 54	230,481 70	.....	59,465 84
Express.....	16,561 30	19,011 86	2,449 06	.....
Mail.....	9,400 00	9,400 00	.....	.....
Rents.....	807 25	812 00	4 75	.....
Gross earnings.....	\$507,792 32	\$453,186 84	\$....	\$54,605 98
Operating expenses.....	344,444 40	335,266 25	.....	9,173 15
Earnings over expenses.....	\$163,347 92	\$117,920 09	\$.....	\$45,429 83

The following, compiled from the annual reports of the company, shows the progressive development of business on the road from 1858 to 1868:

Years	Earnings.	Expenses.	Profits.
1858-59.....	\$171,048 90	\$97,797 37	\$73,251 53
1859-60.....	206,944 37	102,470 89	103,973 38
1860-61.....	222,852 13	113,362 90	108,989 23
1861-62.....	244,340 43	106,954 50	137,585 93
1862-63.....	284,053 10	164,196 39	169,851 71
1863-64.....	451,223 36	218,539 13	232,684 23
1864-65.....	559,127 68	312,407 23	246,720 40
1865-66.....	462,971 75	345,878 80	117,682 95
1866-67.....	507,792 32	344,444 40	163,347 92
1867-68.....	453,186 84	335,266 25	117,920 09

The income account for 1867-68 shows the receipts from all sources, including balance from previous year, \$32,427 97, at \$486,768 18, and the expenditures on all accounts at \$510,393 57—balance against income \$23,625 39. The expenditures were: Expenses as above, \$335,266 25; interests \$96,083 90; internal revenue taxes \$6,108 98; State, county and municipal taxes \$7,754 10; construction \$46,028 71; equipment (new freight cars) \$14,056 82; and increase of supplies \$6,095 51—total, \$510,393 57. No dividends were ever paid on the company's common stock since 1856, when a scrip distribution was made.

The financial condition of the company, as exhibited on the general balance sheet of August 31, 1868, is shown in the following summary:

Capital stock paid in.....	\$997,851 13	Construction.....	\$2,402,738 55
Fraction 1 stock.....	8,988 25	Equipment	358,321 23
Stock div. of 1856, uncla'd.....	37,171 09	Real estate.....	7,957 70
Preferred stock.....	100,000 00	Dist. fair ground stock.....	1,000 00
7 p. c. bonds, main line.....	1,091,000 00	Fuel on hand	16,025 17
" Rockville ext.....	150,000 00	Materials in shops.....	21,851 51
Due other lines.....	20,996 46	Cash	\$11,254 99
Oth r liabilities.....	31,868 84	Due from agents.....	14,405 42
Earn'gs exp'nd'd in const'n	377,044 31	Open accounts.....	3,079 50—
Balance of income account.....	22,708 99		29,789 91
Total	2,836,129 07	Total	2,836,129 07

The funded debt is described as follows:

First mortgage (main line) 7 p. cent bonds of 1852, due January 1, 1869.....	\$350,000
" " " " of 1854, due May 1, 1869.....	740,000
" (Rockville extension) 7 p. c. bonds, due Feb. 1, 1881	150,000

The first mortgage (main line) bonds, due in 1869, are being exchanged into new sinking fund bonds having twenty years to run.

AGGREGATE RESOURCES AND LIABILITIES OF THE NATIONAL BANKING ASSOCIATIONS FROM OCT., 1863, TO OCT., 1868.

We give below the official returns, showing the aggregate resources and liabilities of the National Banking Associations, from October 1863, the date of their first return, to October, 1868, the date of their last return. It will be seen that the total number of banks at the former date was sixty-six, with a capital of \$7,188,393 ; while now there are 1,645 banks, with a capital of \$420,634,511. Since October, 1866, however, both the amount of capital and the number of the banks have remained about the same, varying slightly from year to year. The National bank circulation now outstanding is \$295,769,489, while the State bank circulation is reduced below \$3,000,000. Some of the main items of the returns show the following progress from year to year:

D.te.	No.	Capital.	Loans.	United States bonds.	Bank notes circulation.
1863, Oct.....	66	\$7,188,393	\$5,466,088	\$5,662,600	\$.....
1864, Jan.....	139	14,740,522	10,666,095	15,112,250	30,155
1864, Oct.....	507	86,782,802	93,248,657	108,064,496	45,260,504
1865, Jan.....	643	185,618,874	166,448,718	176,578,750	66,769,375
1865, Oct.....	1,518	398,157,206	487,170,136	427,781,300	171,821,908
1866, Jan.....	1,579	403,857,346	500,650,109	440,379,350	218,239,530
1866, Oct.....	1,643	415,279,969	638,247,508	426,657,350	280,129,558
1867, Jan.....	1,644	419,779,739	608,411,901	428,120,700	291,098,294
1867, Oct.....	1,643	420,073,415	609,675,214	418,963,050	293,887,941
1868, Jan.....	1,642	420,230,790	616,603,479	420,544,450	243,377,390
1868, Oct.....	1,645	420,634,511	657,668,847	414,662,800	295,769,489

Besides the foregoing national securities the banks have held, as will be seen, compound interest notes to a large amount, and at the last return held \$59,080,000 of the Three Per Cent Certificates.

Aggregate resources and liabilities of

1863.

Resources.	JANUARY.	APRIL.	JULY.	OCTOBER.
				66 banks.
Loans and discounts				\$5,466,089 33
U. S. bonds and securities.....				5,662,600 00
Other items.....				106,009 12
Due from nat'l and other banks.....				2,625,597 05
Real estate, furniture, &c.....				177,565 69
Current expenses				53,808 92
Premiums				2,503 69
Checks and other cash items...				492,138 59
Bills of national and other banks.....				764,726 00
Specie and other lawful money.....				1,446,607 62
Total.....				16,797,644 00

1864.

	139 banks.	309 banks.	473 banks.	507 banks.
Loans and discounts	\$10,666,095 60	\$31,593,943 43	\$70,746,513 33	\$93,238,657 92
U. S. bonds and securities.....	15,112,250 00	41,175,150 00	92,530,500 00	108,064,496 00
Other items.....	74,571 48	432,059 95	842,017 73	1,434,643 76
Due from national banks.....		4,699,479 56	15,935,730 13	19,965,720 47
Due from other b'ks and bankers.....	*4,726,124 58	8,537,908 94	17,337,558 66	14,051,396 31
Real estate, furniture, &c.....	381,144 00	755,696 41	1,694,049 46	2,202,318 20
Current expenses	118,854 43	352,720 77	502,341 31	1,021,569 02
Checks and other cash items...	577,507 92	2,651,916 96	5,057,122 90	7,640,169 14
Bills of national and other banks.....	205,521 00	1,660,000 00	5,344,172 00	4,687,727 00
Specie and other lawful money.....	5,018,622 57	22,961,411 64	42,283,798 23	44,801,497 48
Total.....	37,630,691 58	114,820,287 66	252,273,803 75	297,108,195 30

1865.

	643 banks.	907 banks.	1,295 banks.	1,513 banks.
Loans and discounts.....	\$166,448,718 00	\$252,404,208 07	\$362,442,743 08	\$487,170,136 29
U. S. bonds and securities.....	176,578,750 00	277,619,900 00	391,744,850 00	427,731,300 00
Other items.....	3,294,883 27	4,275,769 51	12,569,190 38	19,048,513 15
Due from national banks	30,820,175 44	40,963,243 47	76,977,539 59	89,978,980 55
Due from other b'ks and bankers.....	19,836,072 83	22,654,636 57	26,078,028 01	17,393,232 25
Real estate, furniture, &c.....	4,083,226 12	6,525,118 80	11,231,257 28	14,703,241 77
Current expenses	1,053,725 34	2,298,025 65	2,388,775 56	4,539,523 11
Premiums	1,323,023 56	1,823,291 84	2,243,210 31	2,585,501 06
Checks and other cash items...	17,837,496 77	20,681,394 13	41,314,904 50	72,309,854 44
Bills of national and other banks.....	14,275,153 00	13,710,370 00	21,651,826 00	16,247,241 00
Specie	4,481,937 68	6,659,660 47	9,437,060 40	14,966,144 22
Legal tender and frost'l cur'ney.....	72,535,504 67	112,999,320 59	168,426,166 55	193,004,364 65
Total.....	512,568,666 68	771,514,939 10	1,126,455,481 66	1,369,768,674 49

the National Banking Associations.

1863.

Liabilities.	JANUARY.	APRIL.	JULY.	OCTOBER.
				66 banks.
Capital stock				\$7, 188, 393 00
Undivided profits				128, 030 06
Individual and other deposits				8, 497, 681 84
Due to nat'l and other banks*				981, 178 59
Other items				2, 360 51
Total				16, 797, 644 00

1864.

	139 banks.	309 banks.	473 banks.	507 banks.
Capital stock.....	\$14, 740, 522 00	\$42, 204, 474 00	\$75, 213, 945 00	\$86, 782, 802 00
Surplus fund.....			1, 129, 910 22	2, 010, 286 10
Undivided profits.....	432, 897 81	1, 625, 656 87	3, 094, 390 11	5, 982, 392 22
Nat'l bank notes outstanding...	30, 155 00	9, 797, 975 00	25, 825, 665 00	45, 260, 504 00
Individual and other deposits ..	19, 450, 492 53	51, 274, 914 01	119, 414, 239 03	122, 166, 536 40
Due to nat'l and other banks* ..	2, 153, 779 38	6, 814, 930 40	27, 332, 006 37	34, 862, 384 81
Other items	822, 914 86	3, 102, 337 38	213, 708 02	43, 289 77
Total	37, 630, 691 58	114, 820, 287 66	252, 273, 803 75	297, 108, 195 30

1865.

	643 banks.	907 banks.	1,295 banks.	1,513 banks.
Capital stock.....	\$135, 616, 874 00	\$215, 326, 023 00	\$325, 634, 558 00	\$393, 157, 206 00
Surplus fund.....	8, 663, 311 22	17, 318, 942 65	31, 303, 565 64	38, 713, 390 79
Undivided profits.....	12, 283, 812 65	17, 809, 307 14	23, 159, 408 17	32, 350, 278 19
Nat'l bank notes outstanding...	66, 769, 375 00	98, 696, 488 00	131, 452, 158 00	171, 321, 903 00
Individual and other deposits ..	183, 478, 636 98	262, 961, 473 13	398, 357, 559 59	500, 910, 873 22
United States deposits	37, 764, 729 77	57, 630, 141 01	58, 032, 720 67	48, 170, 581 51
Due to national banks.....	30, 619, 175 57	41, 301, 031 16	78, 261, 045 64	90, 044, 837 08
Due to nat'l and other banks* ..	37, 104, 130 62	59, 692, 581 64	79, 591, 594 93	84, 155, 161 27
Other items	265, 620 87	578, 951 37	462, 871 02	944, 053 70
Total	512, 568, 666 68	771, 514, 939 10	1, 126, 455, 481 66	1, 359, 768, 074 49

1866.

Resources.	JANUARY.	APRIL.	JULY.	OCTOBER.
	1,579 banks.	1,612 banks.	1,633 banks.	1,643 banks.
Loans and discounts.....	\$500,650,109 19	\$528,080,526 70	\$550,327,444 17	\$603,247,503 58
U.S.bonds dep'd to secure circ'n.	298,376,650 00	315,850,300 00	326,383,350 00	331,733,200 00
Other U. S. bonds and securities.	142,003,500 00	125,625,750 00	121,152,950 00	\$ 94,924,150 00
Oth'r stocks, bonds, and mortg's.	17,483,753 18	17,379,738 92	17,565,911 46	15,887,490 06
Due from national banks.....	93,254,551 02	87,564,329 71	96,692,433 23	107,597,858 41
Due from other b'ks and b'kers.	14,658,229 87	13,682,345 12	13,982,227 06	12,136,549 87
Real estate, furniture, &c.	15,436,296 16	15,895,564 46	16,728,533 45	17,122,117 01
Current expenses.....	3,193,717 78	4,927,599 79	3,030,439 01	5,298,375 86
Premiums	2,423,918 02	2,233,516 31	2,398,862 26	2,490,891 81
Checks and other cash items...	89,837,684 50	105,490,619 36	96,077,134 53	103,676,647 55
Bills of national and other banks.	20,406,442 00	18,279,816 00	17,866,722 00	17,437,699 00
Specie.....	16,909,363 80	13,854,881 66	12,627,016 52	8,170,835 97
Legal tenders and fract'l cur'ncy.	187,846,548 82	193,542,749 28	201,408,853 58	205,770,641 38
Total	1,402,480,964 34	1,442,407,737 31	1,476,241,877 27	1,525,493,960 50

1867.

	1,644 banks.	1,639 banks.	1,633 banks.	1,643 banks.
Loans and discounts	\$608,411,901 58	\$597,124,098 66	\$588,100,703 62	\$609,675,214 61
U.S.bonds dep'd to secure circ'n.	339,180,700 00	338,388,650 00	337,355,250 00	338,640,150 00
U.S.bonds dep'd to sec're dep'ts.	36,015,950 00	38,405,800 00	38,302,750 00	37,862,100 00
U.S.bonds and sec'ties on hand.	52,924,050 00	46,629,400 00	45,629,300 00	42,460,800 00
Oth'r stocks, bonds, and mortg's.	15,072,737 45	20,194,875 21	21,452,040 43	21,507,881 42
Due from national banks.....	92,492,445 95	94,035,405 85	92,287,906 39	95,217,610 14
Due from other b'ks and b'kers.	12,981,445 40	10,720,271 39	9,603,442 12	8,400,726 47
Real estate, furniture, &c.	18,861,137 63	19,537,898 38	19,755,023 70	20,639,708 23
Current expenses	2,795,322 36	5,665,429 97	3,217,747 70	5,297,494 13
Premiums	2,852,945 23	3,402,629 76	3,331,247 11	2,764,186 35
Checks and other cash items...	101,330,984 35	87,876,535 84	128,255,674 49	134,591,731 51
Bills of national banks.....	19,205,584 00	12,868,189 00	16,120,898 00	11,841,104 00
Bills of other banks.....	1,176,142 00	852,748 00	531,264 00	333,209 00
Specie	16,634,972 10	10,325,492 33	9,602,072 97	10,256,130 30
Legal tenders and fract'l cur'ncy	104,586,827 23	92,661,377 61	102,431,346 96	100,550,849 91
Compound interest notes	81,925,100 00	84,029,095 00	75,456,915 00	56,888,250 00
Total.....	1,506,448,245 28	1,462,727,897 00	1,491,433,582 49	1,496,927,146 07

1868.

	1,642 banks.	1,643 banks.	1,640 banks.	1,645 banks.
Loans and discounts.....	\$616,603,479 89	\$628,029,347 65	\$655,729,546 42	\$657,668,847 83
U.S.bonds dep'd to secure circ'n.	339,064,200 00	339,686,650 00	339,569,100 00	340,487,050 00
U.S.bonds dep'd to sec're dep'ts.	37,315,750 00	37,446,000 00	37,853,150 00	37,363,150 00
U. S. bonds and sec'ties on hand.	44,164,580 00	45,958,550 00	43,068,350 00	36,817,600 00
Oth'r stocks, bonds, and mortg's.	19,365,864 77	19,874,384 33	20,007,327 42	20,693,406 40
Due from national banks.....	99,311,446 60	95,900,606 35	114,433,979 93	102,278,547 77
Due from other b'ks and bank'rs.	8,480,199 74	7,074,297 44	8,642,574 72	7,848,822 24
Real estate, furniture, &c.....	21,125,665 68	22,082,570 25	22,699,829 70	22,747,875 18
Current expenses	2,986,893 86	5,428,460 25	2,938,519 04	5,278,911 22
Premiums	2,464,536 96	2,660,106 09	2,432,074 37	1,819,815 50
Checks and other cash items...	109,390,266 37	114,996,036 23	124,076,297 71	143,241,394 99
Bills of national banks.....	16,655,572 00	12,573,514 00	13,210,179 00	11,842,974 00
Bills of other banks	261,269 00	196,106 00	342,550 00	222,668 00
Specie	18,163,980, 49	15,379,654 53	20,755,919 04	11,749,442 14
Legal tenders and fract'l cur'ncy	116,234,367 78	86,215,859 16	102,029,458 91	94,716,266 97
Compound interest notes	39,997,030 00	38,917,490 00	19,473,220 00	4,513,730 00
Three per cent. certificates	8,245,000 00	24,255,600 00	44,905,000 00	59,080,000 00
Ⓒ Total.....	1,499,770,023 14	1,496,674,632 28	1,572,167,076 26	1,558,367,502 24

1866.

Liabilities.	JANUARY.	APRIL.	JULY.	OCTOBER.
	1,579 banks.	1,612 banks.	1,633 banks.	1,643 banks.
Capital stock.....	\$403,357,346 00	\$409,273,534 00	\$414,170,493 00	\$415,278,960 00
Surplus fund.....	43,000,370 78	44,687,810 54	50,151,991 77	53,359,277 64
Undivided profits.....	28,972,493 70	30,964,422 73	29,295,526 03	32,583,328 33
National bank notes outstanding.	213,239,530 00	248,886,282 00	267,753,678 00	280,199,558 00
State bank notes outstanding...	45,449,155 00	33,800,865 00	19,992,038 00	9,743,025 00
Individual deposits.....	520,212,174 32	534,734,950 33	533,330,759 81	563,510,570 79
U. S. deposits.....	29,747,236 15	29,150,729 82	36,038,185 03	30,420,819 60
Dep'ts of U. S. disbursing offic'rs.....			3,660,892 22	2,979,955 77
Due to national banks.....	94,709,074 15	89,067,501 54	96,496,726 42	110,531,957 31
Due to other banks and bankers.	23,793,584 24	21,841,641 35	25,945,586 99	26,951,498 86
Total.....	1,402,480,964 34	1,442,407,737 31	1,476,241,677 27	1,525,493,960 50

1867.

	1,644 banks.	1,639 banks.	1,633 banks.	1,643 banks.
Capital stock.....	\$419,779,739 00	\$418,844,484 00	\$418,123,148 00	\$420,073,415 00
Surplus fund.....	59,967,222 14	60,193,223 58	63,229,585 62	66,695,587 01
Undivided profits.....	26,687,323 35	31,068,365 93	30,586,670 86	33,751,446 21
National bank notes outstanding.	291,093,294 00	291,880,102 00	291,491,038 00	293,887,941 00
State bank notes outstanding...	6,961,499 00	5,955,147 00	4,522,505 00	4,092,153 00
Individual deposits.....	555,179,944 45	510,593,098 63	537,882,950 49	537,976,834 03
U. S. deposits.....	27,225,663 60	27,396,477 89	29,764,029 09	23,280,763 16
Dep'ts of U. S. disbursing offic'rs.	2,275,384 79	2,582,015 44	3,407,608 11	4,412,825 58
Due to national banks.....	92,755,560 88	91,152,252 58	89,817,032 74	93,111,240 89
Due to other banks and bankers.	24,322,614 07	23,062,729 95	22,608,954 58	19,641,940 20
Total.....	1,506,448,245 28	1,462,727,897 00	1,491,433,582 49	1,496,927,146 07

1868.

	1,642 banks.	1,643 banks.	1,640 banks.	1,645 banks.
Capital stock.....	\$420,260,790 00	\$420,676,210 00	\$420,105,011 00	\$420,634,511 00
Surplus fund.....	70,526,125 70	72,349,119 60	75,840,118 94	77,995,761 40
Undivided profits.....	31,399,877 57	32,861,597 08	33,543,223 35	36,095,883 98
National bank notes outstanding.	294,377,390 00	295,336,044 00	294,908,264 00	295,769,489 00
State bank notes outstanding..	3,792,013 00	3,310,177 00	3,163,771 00	2,906,352 00
Individual deposits.....	531,827,088 04	529,017,191 67	575,842,070 12	579,686,549 60
U. S. deposits.....	24,305,638 02	22,750,342 77	24,603,676 96	17,573,250 64
Dep'ts of U. S. disbursing offic'rs.	3,208,783 03	4,976,682 31	3,499,389 99	4,570,478 16
Due to national banks.....	98,144,669 61	94,073,631 25	113,306,346 34	99,414,397 28
Due to other banks and bankers.	21,867,648 17	21,323,636 60	27,355,204 56	23,720,829 18
Total.....	1,499,770,023 14	1,496,674,632 28	1,572,167,076 26	1,558,367,502 24

WHAT BASIS HAVE WE FOR RESUMPTION?

Whatever may be the features of the plan ultimately adopted for restoring the specie basis, to be successful it must include a reserve of coin adequate to sustain the note circulation. It is not our present object to inquire what may be deemed an adequate reserve, but rather to ascertain, as nearly as data may permit, what amount of gold and silver we have in the country, leaving it for after consideration, under what conditions that supply is a basis broad enough for the resumption of specie payments.

There is much vagueness in the public mind upon this very essential point; and we fear that to this indefiniteness the recent able speech of Senator Morton may have added positive misapprehension. While the country owes much to the Senator's clear elucidation of many questions affecting resumption, and while his plan will, by many, be conceded to be the most consistent and feasible of any yet introduced into Congress; yet it does appear to us that when he comes to the very important question as to the existing supply of coin, he handles figures with a prodigality which bespeaks enthusiasm rather than cautious research. We present the Senator's own language:

There is now in the treasury a surplus of not less than \$70,000,000, and the accruing surplus under the present tariff for the next two years cannot be less than \$100,000,000, which will, together, make \$170,000,000. It is very difficult to form an estimate of the amount of gold in the country. The Director of the Mint in Philadelphia, in 1861, estimated the amount of gold in the country at that time to be \$275,000,000, which, I have no doubt, was much short of the actual amount. The Comptroller of the Currency (Mr. Hulbard), in his report last year, estimated the gold product from our mines, from the 30th of June, 1860, to the 30th of June 1867, at \$411,320,000. The imports of gold from abroad during the same period were \$78,988,587. The products of the mines during the year ending June 30, 1868, are estimated at \$75,000,000, making in the aggregate \$840,258,587, to which may be added the gold-circulation in California, and other gold producing States, not included in the above calculation (estimated at \$50,000,000), making in all \$890,258,587. Deducting the amount of gold exported during the same period (\$477,740,908), leaves a balance of \$412,512,679. There is also another large import of gold into the country from Europe, of which there is no official record, the amount of which can only be guessed at. I mean that which is brought in small sums by emigrants, who come to our country at the rate of half a million a year. I have heard various conjectures as to the amount thus brought to the country, and none have put it lower than \$20,000,000 per annum for the eight or ten years, making the sum of \$160,000,000, which, added to the above, makes a total sum of \$572,512,679. But, to make allowance for mistakes and exaggerations, I estimate the gold and silver coin in the country at \$400,000,000. The products of the mines ending June 30, 1869, may be safely estimated at \$75,000,000, and after that at \$100,000,000 per annum.

Mr. Morton's balance sheet may be thus summarised:

(1) Gold in the Atlantic States in 1861.....	\$275,000,000
(2) Product of mines for 7 years ending June 30, 1867.	411,320,000
(3) Product of mines past year.....	75,000,000
(4) Imports for 7 y'rs ending June 30, 1867.....	78,988,000
(5) Circulation in Pacific States.	50,000,000
(6) Brought by emigrants last 8 years	160,000,000
<hr/>	
Total supply July 1, 1860, to June 30, 1868.....	\$1,050,258,000
(7) Exported within same period.	477,740,000
<hr/>	
Stock of gold July 1st, 1863.....	\$ 572,518,000

The Senator appears to have been incredulous of the result of his own statistics, and therefore, "to make allowance for mistakes and exaggerations," he throws off the very liberal amount of \$172,513,000, and lumps his estimate at \$400,000,000. Let us see how near this singularly generous method of handling figures brings us to the truth, taking the items *seriatim*.

The Director of the Mint, in 1861, estimated the stock of coin then in the country at \$275,000,000; Mr. Morton accepts that estimate, at the same time having no doubt it was "much short" of the actual amount, Mr. Chase, in his annual report of 1862, gave it as his opinion that \$210,000,000 covered the whole supply. These figures, we understand, to include the circulation of the Pacific States, which, taken at \$40,000,000 at that period, would leave \$170,000,000 as the supply in all the other States; an estimate which probably is not at all under the truth. For the two fiscal years, 1859-60 and 1860-61, the specie in the banks averaged \$85,000,000. What amount there was in the hands of the people can only be vaguely estimated. Considering the preference given to bank notes for their greater convenience in handling, and especially in large amounts, it may perhaps be very safely assumed that the amount of bank circulation, in the hands of the people, was double that of coin so circulating. The official reports show that, for the three years next preceding the war, the amount of bank notes in the hands of the people, this side the Rocky Mountains, averaged \$168,000,000; from which it would follow, adopting the ratio of one dollar in specie to two of notes, that the specie circulating from hand to hand outside the banks was about \$80,000,000. This we are disposed to regard as a very liberal estimate; and adding thereto the \$85,000,000 in the banks, we should have a stock of \$165,000,000, exclusive of the Pacific circulation. If our estimate be correct, Mr. Morton must deduct from the first item of supply about \$110,000,000.

To the second item, there seems to be reason to demur rather on account of its being an under estimate than as an "exaggeration." Our own statistics (see the *MAGAZINE* of January, 1868) would lead us to place the domestic production for the seven years at about \$40,000,000 over these figures; as it is possible, however, that we may have estimated too liberally the amounts conveyed from the mines to market by the miners, we are willing for present purposes to accept the estimate of Comptroller Hulburd, as given by Mr. Morton.

The fourth item, imports of specie for the seven years ending June 30, 1867, contains an important error. The corrected returns of the Bureau of Statistics give the total receipts of treasure from abroad for those years at \$128,200,000, or \$49,300,000 more than Mr. Morton's figures; which, we presume, leaves no room for question that the Senator is in error to

that extent. The fifth item, the circulation in the Pacific States, cannot probably be brought into the calculation. In that section, there has never been any suspension of specie payments; and, in the event of the other States resuming, the present coin circulation of the Pacific coast would be required there, as at present, and would in no way facilitate the effort made here to recover the normal condition of affairs. For practical purposes, therefore, it would be as legitimate to count in the supply of Great Britain or any other foreign country as that of California and the adjoining territory. The sixth item, the amount of coin brought in by foreign emigrants within the last eight years, it appears to us, should be classed among the Senator's "exaggerations." The number of emigrants is here estimated at 500,000 yearly, which exceeds the truth by fully one-third, as appears from the official returns since 1860. The amount of gold brought by the emigrants is averaged by Mr. Morton at \$40 per head; which, again, considering the large proportion who come depending upon finding immediate employment or upon receiving help from their friends, and the large number of children, must appear to be an extravagant over estimate. It would probably be a much closer approximation to the truth to take the arrivals at 350,000, and the average amount of coin brought by each emigrant at \$25, which would give a total supply from this source of \$70,000,000 for the eight years, which is \$90,000,000 below Mr. Morton's estimate. One very important offset against this supply has escaped the Senator's attention. From thirty to forty thousand of our people every year make a tour to Europe, taking with them, in the form of coin, not less than \$150 per head, which, within the eight years, would take nearly \$40,000,000 of gold out of the country. Indeed, were we to accept the opinions of local dealers in foreign coin, we should place the estimate much above this figure. Upon the whole, these movements of influx and efflux may be regarded as so nearly balancing each other that they need scarcely be taken into the account.

The seventh item, the exports of specie for the last eight years, fails to agree with the official records. Mr. Morton states the shipments at \$477,740,000. The revised returns of our foreign commerce recently issued by the Director of the Bureau of Statistics, give the following as the exports of specie for each of the last eight years:

	Domestic.	Foreign.	Total specie
1861.....	\$23,000,000	\$6,000,000	\$29,800,000
1862....	31,000,000	5,800,000	36,800,000
1863.....	60,000,000	8,100,000	68,100,000
1864....	100,800,000	4,900,000	105,200,000
1865.....	64,600,000	3,000,000	67,600,000
1866.....	82,600,000	3,400,000	86,000,000
1867.....	55,100,000	5,800,000	60,900,000
1868.....	83,700,000	11,000,000	93,700,000
*Total.....	\$501,100,000	\$47,000,000	\$548,100,000

* These figures differ somewhat from those given in an estimate of the gold movement in our issue of January, 1868; the difference having arisen from subsequent corrections in the official returns made by the Director of the Bureau of Statistics.

It thus appears that the exports of foreign and domestic specie, for the eight years, reach the real total of \$548,100,000, or \$70,360,000 above Mr. Morton's figures. There is one item of export of which we have no record, viz., the amount of specie sent out of the Southern States during the war. It is a well-known fact that the exports of cotton did not suffice to pay for all the imports made into that section; but the amount of the balance which had to be liquidated in gold we can but vaguely guess. According to the official returns, the banks of the seceding States held at the outbreak of hostilities about \$25,000,000 of specie. It would perhaps be quite safe to conclude that not over \$10,000,000 remained in the South at the close of the war, the balance having been sent out of the country. As an improvement upon Mr. Morton's figures, we submit the following statement of the course of supply and loss for the last eight years, omitting, for reasons above stated, the circulation on the Pacific Coast and the receipts by emigrants and loss by travelers :

Gold in Atlantic States in 1861.....	\$165,000,000	
Product of mines for 8 yrs end'g June 30, '68.....	485,000,000	
Imports of specie do do	141,900,000	
	<hr/>	
Total supply, 8 years.....		\$791,900,000
Exports of specie last 8 yrs	\$548,100,000	
Sent from South during the war.....	15,000,000	
	<hr/>	
Total loss in 8 years.....		568,100,000
		<hr/>
Stock in 1868.....		\$228,800,000

It would thus appear that the present stock of the precious metals in the Atlantic States is close upon \$230,000,000. It is not to be supposed, however, that all this exists in the form of coin, nor even of coin and bars. A certain portion of the supply of gold and silver has been taken for commercial purposes. That form of consumption has been largely increased within late years, under the high duties on jewelry and plate, and perhaps could not be safely estimated at less than \$10,000,000 per annum. Assuming this to be a full estimate, and deducting only \$70,000,000 from the foregoing balance, we should have about \$160,000,000 as the present stock of coin and bullion in the Atlantic States. It is true, this result makes a poor show against Mr. Morton's \$572,000,000, or even compared with his more modest estimate of \$400,000,000; but we do not see how its substantial accuracy can be impugned. It is not easy to conceive where the whole of even this amount is held. The amount in the United States Treasury averages about \$100,000,000, including the public deposits; the banks, national and state, hold perhaps \$20,000,000 more, exclusive of coin certificates; beside this, there is in the hands of dealers and in circulation in some of the Southern States say \$15,000,

000 more, and hoarded by timid people say \$5,000,000; making a total of \$140,000,000 of coin, to which must be added about \$5,000,000 for bullion; which would give a total of the precious metals, in all forms, of \$145,000,000. A vulgar idea prevails that there is somewhere a large amount of gold secretly hoarded; but when it is remembered that all such hoards lose interest and afford no reasonable prospect of ultimate gain, it would be doing an injustice to the common sense of an acute and business-minded population to suppose that these secretions exist to anything beyond a nominal extent; beside, the supposition finds no confirmation in common observation or experience. Upon the whole, then it results that we have, in the States where resumption has to take effect, about \$150,000,000 of coin as the basis of gold payments. We may hereafter inquire how far this fact comports with the practicability of Senator Morton's plan of resumption.

THE HURON AND ONTARIO CANAL.

The *Oswego Commercial Advertiser and Times*, in referring to our article in the last number of the *MAGAZINE* on the Lake Simcoe canal, states that our doubts of the success of the measure, based upon the lack of means in Canada for the purpose, arrive from a misapprehension. The canal, the *Advertiser and Times* says, is to be constructed by a company "which does not ask a cent from the treasury of Canada, directly or indirectly. The surveys and estimates have all been made, and the feasibility of the project has been pronounced upon by the best civil engineers, not only of this country, but of England also. The money to pay for the work has been *pledged*, half in this country, and half in England, depending upon the grant of land by the Ontario Parliament. That grant, therefore, is all that now stands in the way of the early commencement of the work. How soon that grant will be made, it is impossible to say. The measure has met with opposition in the Provincial Legislature, which for the present has blocked its progress. But the people of the Province are beginning to understand the advantages of the measure to the Province, and it seems probable that all local opposition will eventually be compelled to give way before the pressure of public opinion. Instead of being a drain upon the wealth of the Province, it would not take a dollar from the treasury, but would lead to the expenditure of \$40,000,000 of the capital of outsiders within the Province, and stimulate enterprise, invite permanent settlement, and in every respect promote the material prosperity of the country. The ten million acres of land granted would be opened to settlement, and in this regard the increase of population and prosperity of the Province would be promoted. We regard it as certain that the good sense of the people of Ontario will ultimately prevail. The opposition so far is not more formidable than should have been expected, from experience, to a work of this magnitude—is not so great as that which DeWitt Clinton encountered for years before success crowned his efforts; and the effects of this

work upon the prosperity of the Province of Ontario may be measured somewhat by the effect the construction of the Erie Canal has had upon the State of New York, raising it suddenly to the proud position of the Empire State of the Union."

PRICES OF MERCHANDISE.

In the table which follows, a comparison is made of the prices of the principal articles of commerce in the New York market about the first of January in the past eight years. This comparison is extremely interesting, as it shows the course of prices at the several periods, from the commencement of the war to the period of greatest inflation and thence down to the present time. As the peculiar value of this statement is seen at a glance, any extended comment upon it is unnecessary.

	1862.	1863.	1864.	1865.	1866.	1867.	1868.	1869.
	\$ c	\$ c	\$ c	\$ c	\$ c	\$ c	\$ c	\$ c.
Ashes, pots.....100 lbs.....	6 25	8 25	8 50	11 75	9 00	8 25	8 37	7 87½
Pearls.....	6 25	8 25	9 75	13 00	11 00	12 00	10 50	9 25
Breadstuffs—								
Wheat flour, State Ex. bbl.....	5 50	6 05	7 00	10 00	8 25	11 00	10 00	7 00
do ex-West. & St. Louis.....	7 50	8 75	11 00	15 00	14 00	17 00	16 00	12 00
Rye flour, Genesee.....	3 87½	4 45	6 65	9 00	6 10	7 85	8 75	7 00
Corn meal, Jersey.....	3 00	4 00	5 65	8 80	4 25	5 00	6 15	5 00
Wheat, white Mich. bush.....	1 50	1 53	1 83	2 70	2 75	3 05	2 20	2 30
Chicago, Spring No. 1.....	1 30	1 33	1 43	2 23	1 85	2 45	2 45	1 70
Rye, Western... bush.....	88	96	1 30	1 75	1 05	1 25	1 75	1 51
Oats, State.....	43	71	93	1 06	62	69	87	73
Oats, Western.....	43	69	93	1 09	63	64	84	77
Corn, Western mixed.....	64	82	1 30	1 90	95	1 12	1 41	1 10
Cotton, mld. upland... b.....	35½	68½	82	1 20	52	84	16	27
Mid. New Orleans.....	36	68½	..	1 21	53	85	16½	27½
Fish, dry cod.... gtl.....	3 50	4 50	6 70	9 00	9 83	6 50	5 50	6 80
Fruit, layer raisins.... bx.....	3 20	3 50	4 20	6 25	4 50	3 85	3 80	3 55
Currents..... b.....	9	13	15	21	15	13	12½	10½
Hay, shipping.....100 lbs.....	77½	85	1 45	1 55	75	1 25	1 20	90
Hops..... b.....	20	23	33	50	60	60	60	30
Iron—Scotch pig... ten.....	23 00	23 50	45 00	63 00	52 90	50 00	26 00	41 00
English bars.....	57 00	65 00	90 00	120 00	120 00	115 00	85 00	87 00
American pig No. 1.....	..	..	..	50	51	49	30	41 00
Laths..... per M.....	1 25	1 45	1 50	2 40	5 00	3 25	3 00	3 12½
Lead—Spanish..... ten.....	7 00	9 00	10 50	15 00	6 33	7 00	6 50	6 37½
Galena.....	7 12½	8 00	10 50	16 00	..	..	..	..
Leather—hemlock, sole b.....	20½	27	30	42	33	33	25½	29
Oak..... do.....	23	33	42	53	31	37	33	40
Lime, com. Rockland. bbl.....	65	85	1 35	1 15	1 70	1 70	1 50	1 60
Liquors, brandy, cog'c. gal.....	4 00	5 25	6 10	15 00	6 00	6 00	6 50	8 00
Domestic whiskey.... do.....	20½	29	34	2 24	2 27½	2 28	2 35	2 7
Molasses, N. Orleans... do.....	53	55	70	1 43	1 15	90	85	76
Naval stores—								
Crude turpentine.... bbl.....	10 00	..	..	..	9 00	6 00	3 75	3 33
Spirits turpentine... gal.....	1 47½	2 00	2 25	2 10	1 05	67	50	50
Common resin..... bbl.....	6 00	13 00	23 00	23 00	6 50	5 00	3 00	2 45
Oil—Crude whale.... gal.....	43	81	1 10	1 43	1 60	1 30	70	1 25
Crude, sperm.....	1 40	1 75	1 60	2 13	2 50	2 60	2 15	1 75
Linseed.....	86	1 25	1 47	1 50	1 45	1 34	1 03	93
Petroleum, crude... gal.....	..	25	31½	51	40	18	16½	..
Refined in b'd, S.W. gal.....	..	47½	46½	73	60	30	24	..
Provisions—								
Pork, old mess..... bbls.....	12 00	14 50	19 50	43 00	28 50	19 25	21 15	27 25
Pork, prime.....	8 50	12 50	14 50	36 25	23 50	17 25	18 50	22 00
Beef, prime mess... ..	5 50	13 00	12 00	..	..	..	16 00	14 00
Beef, extra mess.....	11 00	20 00	23 00	23 00	24 00	21 00	21 00	19 50
Beef hams, extra.....	14 50	15 00	18 30	27 00	25 00	25 00	22 50	22 00
Hams, pickled..... lbs.....	6	7	11	20	16½	12½	13	16
Shoulder, pickled.....	4½	5½	8½	18	14	10	8½	11½
Lard, Western.....	8½	10	13	23	19	13	12½	17½
Butter, prime Western..	15	23	24	45	25	20	23	40
Butter, prime State.....	19	24	29	55	43	41	45	..
Cheese, prime factory.....	7	12	15½	24	18½	17½	16	19½
Rice, prime..... 100 lbs.....	7 00	8 75	10 00	13 00	12 50	9 25	8 75	9 25
Salt, Liverpool, ground.. sk.....	66	1 25	1 85	2 47	2 50	2 00	2 00	2 10
Live pool, fine, Ashtons.....	1 70	2 15	2 80	4 75	4 10	3 70	3 90	3 85
Seeds, clover.... b.....	7½	10½	12½	27	14	14	12½	..
Sugar, Cuba, good.....	8½	10	13	19	13	10	11½	..
Sugar refined, hard.....	10½	13½	16½	23½	18½	15	16½	..
Tallow.....	9½	10½	13	18	14	11	10½	11½
Wool, Ohio fleece, do'ble ex.....	50	60	60	95	70	60	60	58½
American gold.....	Par	133½	152	237	144½	133	133½	135½

COURSE OF THE NEW YORK STOCK EXCHANGE FOR 1866.

The following is the Course of Prices at the New York Stock Exchange Board, each month, for 1866:

Statement showing the Lowest and Highest Sale-Prices of Shares at the New York Stock Exchange Board in each month:

[illegible]

[illegible]

* After November 30 the Pacific Mail Steamship shares were sold, at-dividend \$ per cent., and stock distribution 20% per cent., from which date to the end of the month the sales ranged from 1700-1800.

COURSE OF THE NEW YORK STOCK EXCHANGE BOARD FOR 1867.

Statement showing the Lowest and Highest Sale Prices of Shares at the New York Stock Exchange Board, in each month

Stocks.	January.	February.	March.	April.	May.	June.	July.	August.	Sept.	October.	November.	December.
Michigan Central....	104 - 108 1/2	107 - 107 1/2	106 - 108 1/2	107 1/2 - 10 3/4	108 1/2 - 110	105 - 110 1/2	109 - 112 1/2	108 1/2 - 112	108 - 111 1/2	108 - 110	108 1/2 - 110 1/2	110 - 113
Michigan Southern.	66 - 83 1/2	70 1/2 - 75 1/2	70 1/2 - 78 1/2	64 1/2 - 74 1/2	65 1/2 - 70 1/2	67 1/2 - 73 1/2	77 1/2 - 84 1/2	77 1/2 - 84 1/2	75 - 84 1/2	77 1/2 - 85	76 1/2 - 82	80 - 86 1/2
Milwan. & P. du Ch.	90 - 100	90 - 90	90 - 90	85 - 85	87 - 92	83 - 87	83 - 87	91 - 91	83 1/2 - 87 1/2	85 - 95	85 - 90	93 1/2 - 98
1st pref.	90 - 90	90 - 90	90 - 90	85 - 85	87 - 92	83 - 87	83 - 87	91 - 91	83 1/2 - 87 1/2	85 - 95	85 - 90	93 1/2 - 98
2d pref.	90 - 90	90 - 90	90 - 90	85 - 85	87 - 92	83 - 87	83 - 87	91 - 91	83 1/2 - 87 1/2	85 - 95	85 - 90	93 1/2 - 98
Milwan. & St. Paul.	83 - 47	35 1/2 - 41	33 - 35	25 - 36	33 1/2 - 37	33 - 40 1/2	40 - 54	47 1/2 - 51	38 1/2 - 48 1/2	40 - 47	37 - 42 1/2	40 1/2 - 49
pref.	52 1/2 - 70 1/2	56 - 61	50 - 56	47 1/2 - 56 1/2	53 1/2 - 57 1/2	54 1/2 - 60	60 1/2 - 68 1/2	64 1/2 - 68 1/2	60 - 67 1/2	61 - 68 1/2	59 - 63 1/2	60 1/2 - 65 1/2
Morris & E-sex.	96 - 113	94 1/2 - 103 1/2	135 - 135	95 1/2 - 105 1/2	140 - 140 1/2	95 - 95	104 1/2 - 110 1/2	10 1/2 - 105 1/2	105 1/2 - 109 1/2	108 - 115 1/2	135 - 135	132 - 134
New Jersey.	96 - 113	94 1/2 - 103 1/2	135 - 135	95 1/2 - 105 1/2	140 - 140 1/2	95 - 95	104 1/2 - 110 1/2	10 1/2 - 105 1/2	105 1/2 - 109 1/2	108 - 115 1/2	111 1/2 - 115 1/2	113 1/2 - 118 1/2
New York Central	114 - 116	113 - 118	116 1/2 - 121	119 1/2 - 123	115 1/2 - 117	115 1/2 - 123	117 - 120	125 - 125	123 - 124 1/2	121 - 123	120 - 124 1/2	124 1/2 - 140
New York & Harlem	114 - 116	113 - 118	116 1/2 - 121	119 1/2 - 123	115 1/2 - 117	115 1/2 - 123	117 - 120	125 - 125	123 - 124 1/2	121 - 123	120 - 124 1/2	124 1/2 - 140
pre.	114 - 116	113 - 118	116 1/2 - 121	119 1/2 - 123	115 1/2 - 117	115 1/2 - 123	117 - 120	125 - 125	123 - 124 1/2	121 - 123	120 - 124 1/2	124 1/2 - 140
N. York & N. Haven	23 1/2 - 24 1/2	24 1/2 - 26 1/2	25 1/2 - 29	23 - 27 1/2	20 1/2 - 25 1/2	24 - 27 1/2	26 - 28 1/2	26 - 27 1/2	25 - 28 1/2	24 1/2 - 27 1/2	23 1/2 - 26 1/2	25 1/2 - 29
Norwich & Voices.	87 - 89	260 - 261	263 - 263	254 - 258	254 - 260	256 - 260	256 - 260	261 - 270	300 - 312	279 - 311	205 - 310	290 - 294
Ohio & Mississippi.	99 1/2 - 105 1/2	103 1/2 - 106 1/2	100 1/2 - 103	97 1/2 - 104	102 1/2 - 104 1/2	103 1/2 - 109 1/2	103 - 108 1/2	102 1/2 - 107 1/2	101 1/2 - 104 1/2	95 1/2 - 102 1/2	95 1/2 - 98 1/2	91 1/2 - 96 1/2
pref.	92 1/2 - 103 1/2	94 1/2 - 99 1/2	92 1/2 - 97 1/2	89 1/2 - 95 1/2	95 - 98	96 1/2 - 99 1/2	100 - 107	103 1/2 - 107	99 1/2 - 106 1/2	96 1/2 - 101 1/2	105 - 106	108 - 108
Panama.	96 - 95	33 - 35	30 1/2 - 34 1/2	31 - 33	35 1/2 - 40 1/2	40 - 53 1/2	50 - 55	50 - 51	67 - 67	47 - 52	60 - 60	66 - 67
Philadel. & Reading.	60 - 67	62 1/2 - 63	60 - 64	60 - 61	56 - 70 1/2	75 - 83	83 - 84	73 - 83	67 - 67	63 - 68 1/2	60 1/2 - 67	60 - 60
Pittsb., Ft. W. & Ch.	60 - 60	62 1/2 - 63	60 - 64	60 - 61	56 - 70 1/2	75 - 83	83 - 84	73 - 83	67 - 67	63 - 68 1/2	60 1/2 - 67	60 - 60
Rome, W. & Ogdensb.	60 - 60	62 1/2 - 63	60 - 64	60 - 61	56 - 70 1/2	75 - 83	83 - 84	73 - 83	67 - 67	63 - 68 1/2	60 1/2 - 67	60 - 60
St. L., A. & T. Haute	60 - 60	62 1/2 - 63	60 - 64	60 - 61	56 - 70 1/2	75 - 83	83 - 84	73 - 83	67 - 67	63 - 68 1/2	60 1/2 - 67	60 - 60
pref.	60 - 60	62 1/2 - 63	60 - 64	60 - 61	56 - 70 1/2	75 - 83	83 - 84	73 - 83	67 - 67	63 - 68 1/2	60 1/2 - 67	60 - 60
Second Avenue	96 - 98	88 - 43 1/2	84 - 89 1/2	86 - 89 1/2	83 - 43	41 1/2 - 47 1/2	46 1/2 - 53 1/2	46 - 61	39 - 49 1/2	39 - 49 1/2	37 1/2 - 49 1/2	38 1/2 - 43 1/2
Sixth Avenue	89 - 45 1/2	88 - 43 1/2	84 - 89 1/2	86 - 89 1/2	83 - 43	41 1/2 - 47 1/2	46 1/2 - 53 1/2	46 - 61	39 - 49 1/2	39 - 49 1/2	37 1/2 - 49 1/2	38 1/2 - 43 1/2
Ston (N. Y., P. & B.)	91 - 91	100 - 100	90 - 90	80 - 80	116 - 116	75 - 83	83 - 84	73 - 83	67 - 67	63 - 68 1/2	60 1/2 - 67	60 - 60
Third Avenue	91 - 91	100 - 100	90 - 90	80 - 80	116 - 116	75 - 83	83 - 84	73 - 83	67 - 67	63 - 68 1/2	60 1/2 - 67	60 - 60
Toledo, W. & West.	91 - 91	100 - 100	90 - 90	80 - 80	116 - 116	75 - 83	83 - 84	73 - 83	67 - 67	63 - 68 1/2	60 1/2 - 67	60 - 60
pref.	91 - 91	100 - 100	90 - 90	80 - 80	116 - 116	75 - 83	83 - 84	73 - 83	67 - 67	63 - 68 1/2	60 1/2 - 67	60 - 60
Troy, R. & Rutland	91 - 91	100 - 100	90 - 90	80 - 80	116 - 116	75 - 83	83 - 84	73 - 83	67 - 67	63 - 68 1/2	60 1/2 - 67	60 - 60
Warren.	91 - 91	100 - 100	90 - 90	80 - 80	116 - 116	75 - 83	83 - 84	73 - 83	67 - 67	63 - 68 1/2	60 1/2 - 67	60 - 60
2—Coal Share List.	91 - 91	100 - 100	90 - 90	80 - 80	116 - 116	75 - 83	83 - 84	73 - 83	67 - 67	63 - 68 1/2	60 1/2 - 67	60 - 60
American.	56 - 70	57 - 61	46 1/2 - 54	45 - 46	45 - 45	45 - 46	45 - 49	48 - 50	40 - 40	40 - 40	44 - 44	43 - 49 1/2
Ashburton.	11 - 11	9 1/2 - 10 1/2	9 1/2 - 10 1/2	6 - 8	6 - 8	6 - 8	6 - 8	6 - 8	6 - 8	6 - 8	6 - 8	6 - 8
Butler.	10 - 20 1/2	10 - 20 1/2	10 - 20 1/2	10 - 20 1/2	10 - 20 1/2	10 - 20 1/2	10 - 20 1/2	10 - 20 1/2	10 - 20 1/2	10 - 20 1/2	10 - 20 1/2	10 - 20 1/2
Cameron.	10 - 12 1/2	48 - 47	46 - 48	41 1/2 - 45	41 1/2 - 45	41 - 41	44 1/2 - 49 1/2	36 1/2 - 36 1/2	29 - 35 1/2	40 - 42	41 - 41	27 - 33
Central.	85 - 94	83 - 86	25 - 36	26 - 34	29 1/2 - 33	30 - 35 1/2	35 1/2 - 41 1/2	33 1/2 - 37 1/2	29 - 35 1/2	25 - 30	28 - 28	27 - 33
Cumberland.	139 - 156	145 - 147	143 - 147	143 - 146	147 1/2 - 155	152 1/2 - 154	145 1/2 - 152	145 - 152	145 - 149	146 - 148	144 - 148	144 - 148 1/2
Delaware & Ind-on.	7 1/2 - 8 1/2	145 - 150	148 - 150	150 - 150	150 - 155	160 1/2 - 160 1/2	180 - 190	176 - 175	175 - 175	175 - 175 1/2	170 - 170	170 - 170
Maryland.	141 - 145	145 - 150	148 - 150	150 - 150	150 - 155	160 1/2 - 160 1/2	180 - 190	176 - 175	175 - 175	175 - 175 1/2	170 - 170	170 - 170
Pennsylvania.	70 - 75	65 - 65	82 1/2 - 88	45 - 45	54 1/2 - 55 1/2	44 - 45	44 - 45	44 - 45	44 - 45	44 - 45	44 - 45	44 - 45
Schuykill.	70 - 75	65 - 65	82 1/2 - 88	45 - 45	54 1/2 - 55 1/2	44 - 45	44 - 45	44 - 45	44 - 45	44 - 45	44 - 45	44 - 45
Spring Mount'n.	40 - 59	36 - 43	36 1/2 - 40	25 - 36	35 - 35	35 - 38	37 - 41	36 - 36	36 - 37	31 - 31	25 - 25	25 - 25
United States.	40 - 59	36 - 43	36 1/2 - 40	25 - 36	35 - 35	35 - 38	37 - 41	36 - 36	36 - 37	31 - 31	25 - 25	25 - 25
Wilkesbarre.	40 - 59	36 - 43	36 1/2 - 40	25 - 36	35 - 35	35 - 38	37 - 41	36 - 36	36 - 37	31 - 31	25 - 25	25 - 25
Wyoming Valley.	40 - 59	36 - 43	36 1/2 - 40	25 - 36	35 - 35	35 - 38	37 - 41	36 - 36	36 - 37	31 - 31	25 - 25	25 - 25

COURSE OF THE NEW YORK STOCK EXCHANGE BOARD FOR 1863.

Statement showing the Lowest and Highest Sale Prices of Shares at the New York Exchange Board in each month.

Stocks.	January.	February.	March.	April.	May.	June.	July.	August.	Sept.	October.	November.	December.
<i>A—Gas Share List.</i>												
Citizens	128 - 135	141 - 140	140 - 140	144 - 144	144 - 144	144 - 144	144 - 144	144 - 144	144 - 144	144 - 144	144 - 144	144 - 144
Metropolitan	41 - 41	41 - 41	41 - 41	41 - 41	41 - 41	41 - 41	41 - 41	41 - 41	41 - 41	41 - 41	41 - 41	41 - 41
<i>B—Mining Sh. List.</i>												
Mariposa Gold	8 1/2 - 8 1/2	7 - 8 1/2	6 - 0 1/2	6 - 0 1/2	5 - 6	5 - 6	4 - 4	7 - 7	8 1/2 - 8 1/2	5 - 5 1/2	6 - 6 1/2	4 1/2 - 5 1/2
Quicksilver	12 1/2 - 12 1/2	10 - 14 1/2	10 - 11	9 - 12 1/2	9 - 11 1/2	8 1/2 - 10 1/2	8 1/2 - 10 1/2	8 1/2 - 10 1/2	8 1/2 - 10 1/2	13 1/2 - 21 1/2	18 1/2 - 21 1/2	19 - 21 1/2
<i>C—Land & Imp. Sh.</i>												
Boston Water Power	19 - 20 1/2	20 - 21 1/2	19 - 21 1/2	20 1/2 - 21 1/2	20 1/2 - 21 1/2	17 1/2 - 22	10 - 17	15 1/2 - 17 1/2	15 - 15 1/2	15 1/2 - 18 1/2	14 1/2 - 15 1/2	13 1/2 - 14 1/2
Brinswick Land	45 1/2 - 45 1/2	55 1/2 - 64 1/2	45 - 45 1/2	45 - 45 1/2	45 - 45 1/2	45 - 45 1/2	45 - 45 1/2	45 1/2 - 45 1/2	45 - 45 1/2	47 - 51 1/2	45 1/2 - 51 1/2	47 1/2 - 50 1/2
Canton Improvement	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2
Cary	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2	45 1/2 - 45 1/2
<i>D—Telegraph Sh. & Co.</i>												
Western Union	30 1/2 - 30 1/2	33 1/2 - 37	33 1/2 - 36 1/2	34 1/2 - 36 1/2	35 1/2 - 38 1/2	33 1/2 - 38 1/2	33 1/2 - 38 1/2	33 - 35	34 - 34 1/2	34 - 35	33 1/2 - 37 1/2	33 - 37 1/2
<i>E—Other Sh. & Co.</i>												
Wells, Fargo & Co.	76 - 87 1/2	71 1/2 - 77	70 - 76 1/2	73 - 76 1/2	75 1/2 - 83	51 1/2 - 59	51 1/2 - 59	46 - 53	46 - 53 1/2	49 1/2 - 53 1/2	45 - 50	45 - 50
Union Trust	78 - 77 1/2	66 - 73 1/2	67 - 70 1/2	69 - 70 1/2	68 - 71	49 1/2 - 54 1/2	44 1/2 - 48 1/2	40 - 45 1/2	41 1/2 - 45 1/2	45 1/2 - 49	41 - 45	43 - 46
New York Guano	36 - 39 1/2	30 - 36 1/2	31 1/2 - 33 1/2	33 - 35	33 - 35 1/2	34 - 35 1/2	33 - 35	18 1/2 - 24 1/2	21 1/2 - 25 1/2	31 - 33 1/2	18 1/2 - 21 1/2	14 1/2 - 18 1/2
Bankers & Brokers	34 1/2 - 39 1/2	71 - 76 1/2	69 1/2 - 73 1/2	45 1/2 - 71 1/2	55 1/2 - 61 1/2	45 - 50	45 1/2 - 49 1/2	41 - 45 1/2	41 - 45 1/2	47 - 50	44 1/2 - 50	45 - 46 1/2
Bankers & Brokers	44 1/2 - 48 1/2	40 - 45	35 - 41	35 - 41 1/2	35 - 37	31 1/2 - 33	31 1/2 - 33	24 1/2 - 27 1/2	25 1/2 - 31 1/2	29 1/2 - 31 1/2	25 - 29 1/2	25 - 30 1/2
<i>F—Trust & Co. Sh. & Co.</i>												
Union Trust	11 - 13	11 - 13	11 - 13	11 - 13	11 - 13	11 - 13	11 - 13	11 - 13	11 - 13	11 - 13	11 - 13	11 - 13
New York Guano	3 1/2 - 13	3 1/2 - 13	3 1/2 - 13	3 1/2 - 13	3 1/2 - 13	3 1/2 - 13	3 1/2 - 13	3 1/2 - 13	3 1/2 - 13	3 1/2 - 13	3 1/2 - 13	3 1/2 - 13
Bankers & Brokers	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100

* Previous to the month of October this road was known as the Cleveland, Fairville and Ashtabula Railroad Company.

There have been also sales, in addition to the above, of Columbus, Chicago and Indianapolis Central Stock at 40 1/2, an American Merchants Union at 42.

DAILY PRICES OF GOLD AT NEW YORK FOR SEVEN YEARS.

The tables which follow exhibit a concise review of the Gold Market at New York, from the suspension of specie payments, at the close of 1861, to the close of the year 1868, embracing a period of seven years. From January 1, 1862, and including June 20, 1864, the prices are based on the daily sales at the New York Stock Exchange, from June 21, 1864, to December 31, 1868, on the quotations at the Gold Room. This change of the sources of information was rendered necessary by the total cessation of sales at the Stock Board immediately after the passage of the Gold Bill in Congress, and the infrequency of sales thereat up to the present day.

1862.

Day of month.	January.	February.	March.	April.	May.	June.	July.	August.	September.	October.	November.	December.
1.....	<i>Holiday</i>	103½-103½	102½-102½	101½-102	102½-102½	103½-103½	108½-109½	115½-115½	116½-117	122-123½	129½-131½	128½-131½
2.....	.....	103½-103½	102-102½	101½-101½	102½-102½	103½-103½	108½-109½	115-115½	116½-116½	122½-123	S.	131-131½
3.....	.....	103½-103½	101½-102	101½-101½	102½-102½	103½-103½	109½-109½	S.	117½-118	123½-123½	130½-131½	131-132
4.....	.....	103½-103½	102-102	101½-102	103½-103½	103½-103½	<i>Holiday.</i>	114½-115	117½-117½	123½-123	129½-131½	133-134
5.....	S.	103½-103½	102-102½	101½-102	103½-103½	103½-104	109½-109½	114½-114½	118½-119½	S.	131½-132½	131½-132½
6.....	.....	103½-103½	102-102½	102½-102½	102½-102½	104-104½	S.	114½-114½	118½-119½	123½-124½	131½-132	130½-132
7.....	.....	103½-103½	101½-101½	101-102½	102½-102½	104-104½	110-110½	114-114½	S.	123-123½	131½-132	130½-132
8.....	.....	103½-103½	101½-101½	101-102½	102½-102½	104-104½	111½-111½	112½-114	118½-119½	124½-124½	131½-132	131½-131½
9.....	.....	103½-103½	102-102	101½-101½	103½-103½	104½-104½	113½-116½	112½-112½	118½-118½	125½-126½	S.	132½-133
10.....	.....	103½-103½	101½-101½	101½-101½	103½-103½	104½-104½	115½-117½	112½-112½	118½-118½	127½-129	132½-133	132½-132½
11.....	.....	104-104½	101½-101½	101½-102	103½-103½	104½-104½	115½-116	S.	118½-118½	128-128½	131-133½	132½-132½
12.....	S.	104½-104½	101½-101½	101½-102	103½-103½	104½-104½	114½-114½	113½-114½	118½-118½	129-129½	131½-132	131½-131½
13.....	103-103	104½-104½	101½-101½	101½-102	103½-103½	105½-105½	113½-114½	114½-114½	118½-118½	S.	131½-132	131½-132
14.....	102½-102½	104½-104½	101½-101½	101½-101½	103½-103½	105½-105½	115½-116½	115½-115½	118½-118½	129-129½	131½-132	131½-132
15.....	102½-102½	104½-104½	101½-101½	101½-101½	103½-103½	105½-105½	116½-117	114½-115½	118½-118½	131-133	131½-132	131½-132
16.....	102½-102½	104½-104½	101½-101½	101½-101½	103½-103½	105½-105½	117½-117½	115½-115½	117½-117½	133-133½	131½-132	131½-132
17.....	101½-102	103½-103½	101½-101½	101½-101½	103-103½	106½-106½	117½-118½	114½-114½	116½-117½	133-133½	131½-132	131½-132
18.....	101½-102	103½-103½	101½-101½	101½-101½	103-103½	106½-106½	119-119½	114½-114½	116½-117½	133-133½	131½-132	131½-132
19.....	S.	103½-103½	101½-101½	101½-101½	103-103½	106½-106½	118½-118½	115½-115½	116½-117½	130-131	130-131	132½-132½
20.....	102½-102½	103½-103½	101½-101½	101½-101½	103½-103½	106½-106½	119½-120	115½-115½	116½-117½	130½-130½	130½-130½	132½-132½
21.....	102½-102½	103½-103½	101½-101½	101½-101½	103½-103½	106½-106½	119½-120	115½-115½	117½-117½	130½-130½	130½-130½	132½-132½
22.....	102½-102½	103½-103½	101½-101½	101½-101½	103½-103½	106½-106½	117-118	115½-115½	117½-117½	130-131	130-131	132½-132½
23.....	103½-103½	103½-103½	101½-101½	101½-101½	103½-103½	106½-106½	117-118	115½-115½	117½-117½	130-131	130-131	132½-132½
24.....	103½-103½	103½-103½	101½-101½	101½-101½	103½-103½	106½-106½	117-118	115½-115½	117½-117½	130-131	130-131	132½-132½
25.....	103½-103½	103½-103½	101½-101½	101½-101½	103½-103½	106½-106½	117-118	115½-115½	117½-117½	130-131	130-131	132½-132½
26.....	103-103	103½-103½	101½-101½	101½-101½	104-104	106½-106½	117-118	115½-115½	117½-117½	130-131	130-131	132½-132½
27.....	S.	103½-103½	101½-101½	101½-101½	104-104	106½-106½	117-118	115½-115½	117½-117½	130-131	130-131	132½-132½
28.....	103-103	103½-103½	101½-101½	101½-101½	103½-103½	106½-106½	116½-117	115½-115½	117½-117½	130-131	130-131	132½-132½
29.....	103½-103½	103½-103½	101½-101½	101½-101½	103½-103½	106½-106½	115½-116	115½-115½	117½-117½	130-131	130-131	132½-132½
30.....	103½-103½	103½-103½	101½-101½	102-102	103½-103½	106½-106½	114½-115½	115½-115½	121½-124	130-131	130-131	132½-132½
31.....	101½-103½	.....	101½-101½	.....	103½-103½	.....	114½-115½	S.	.....	129½-130	.....	132½-133
0.	-103½	102½-104½	101½-102½	101½-102½	102½-104½	103½-109½	108½-120½	112½-116½	116½-124	123-133½	129-133½	128½-134

1864.

Day of month.	January.	February.	March.	April.	May.	June.	July.	August.	September.	October.	November.	December.
1.....	Holiday.	157½-157½	159-160	166½-166½	S.	.....	253-250	251-250	243-248½	190-198½	220-241½	225½-230
2.....	151½-153	157½-157½	159½-.....	166½-166½	176-177½	.....	250-250	255-258½	248½-254½	S.	229½-246	230½-233½
3.....	S.	157½-158	160½-161	S.	177-179½	.....	S.	256½-258½	255-248½	189-191½	227½-235½	228½-231
4.....	.....	158-.....	160½-161	166½-166½	179½-179½	.....	Holiday.	.....	S.	190-192½	231½-238½	S.
5.....	151½-151½	157½-158½	160½-161½	167½-167½	177½-177½	.....	255-246	257½-261½	255-248½	189½-191½	231½-238½	237-239½
6.....	151½-.....	.....	161½-161½	168½-170½	174-176½	194-.....	248-261½	259½-261½	240½-242½	192½-197	235½-244½	230-234½
7.....	151½-153½	.....	161½-161½	170½-171	172½-173½	.....	262-273	S.	240½-242½	198-204	S.	233½-243
8.....	151½-153½	158½-159½	162½-163½	169½-.....	S.	198-198½	255½-276½	258½-259½	235½-241	196½-208½	245½-249½	239-242½
9.....	.....	159½-159½	167-167½	169½-.....	169½-171	.....	260-275	259½-255½	234½-236	S.	246-260	239½-242½
10.....	S.	159½-.....	164½-.....	S.	169½-171	198½-198½	S.	254½-255½	218-233½	196-199	243-253	234½-239½
11.....	153½-153½	159½-159½	164½-164½	.....	168-168½	.....	276-285	253½-256½	S.	198½-208½	235½-244½	S.
12.....	153½-154½	159½-159½	164½-164½	173½-175	174½-176½	S.	271-283	255½-257½	213½-235	202½-204½	243½-245	233½-237½
13.....	153½-153½	159½-159½	160½-163	175½-175½	170-173½	195½-.....	268½-273	254½-256½	217½-233	203½-209½	243½-245	233½-235½
14.....	154½-154½	159½-160½	160½-160½	176-177½	173-172½	.....	258-263	S.	223½-233	208-217½	243-246½	233½-235½
15.....	155½-155½	159½-160½	162½-163½	173½-173½	S.	197½-.....	244-256	255½-256½	223½-233½	208-217½	228½-244	234½-237½
16.....	155½-156½	160½-161	161½-163	171-171½	173½-173½	197½-.....	248½-261½	255½-256½	224½-233	213½-220	228½-240	233½-234½
17.....	S.	159½-160	161½-161½	171-171½	177-178	196½-196½	S.	255½-257	230½-233½	218½-223½	218½-226½	235½-238½
18.....	150½-159½	159½-.....	163-.....	170½-.....	181-181½	195½-195½	254½-261½	257-258	S.	206½-215	210-219	S.
19.....	150½-159½	158-158½	163-.....	167-168	181½-181½	S.	258½-268½	257-257½	223½-236½	207½-211½	216-225½	212½-217½
20.....	158½-158½	159½-159½	S.	167-167½	181-.....	198-198½	261-263½	256½-257½	223-226½	206½-211½	S.	220½-227
21.....	156½-157	S.	.....	168½-167½	181½-.....	199-208	256½-260	S.	230-233	207½-209	217½-221½	223½-236
22.....	156½-157½	157½-157½	.....	173½-174½	S.	210-220	250½-257½	256½-257½	216-221½	209½-213½	224-239	231-234½
23.....	156-156½	157½-157½	164½-165½	174½-177½	189½-.....	205-223	253½-259	254½-257	211-217	S.	230½-233½	230½-232
24.....	S.	.....	166½-.....	S.	.....	213-217	S.	254½-257	200-213	212½-216½	Thomasday	Christmas.
25.....	157½-157½	158½-158½	166½-.....	179-189½	184½-184½	214-220	255½-258½	254½-255½	S.	214½-218½	216½-221½	Holiday.
26.....	158-158½	157½-158½	169½-169½	181½-184½	183-183½	S.	257½-259½	253½-256	195-198½	212½-217	S.	216-218
27.....	157-.....	157½-158½	S.	181-181½	186-186½	221-240	254-257½	245-253	192½-195	214½-216½	226½-233½	216½-224
28.....	157½-157½	S.	.....	177½-180½	S.	224-240	244-253	S.	195-205	215½-217½	232-236½	223-225½
29.....	156½-157½	159-159½	165½-165½	.....	S.	235-250	250-263½	235½-245	194½-202	217½-221½	232-236½	225-228½
30.....	156½-157½	.....	163½-164½	.....	.....	245-250	253-263	231½-236	191-194½	S.	237½-233	225-228½
31.....	S.	.....	164½-.....	179½-180	190-.....	.....	S.	234-243	.....	231½-237½	.....	224½-227½
Months	151½-159½	157½-161	159-167½	159½-174½	193-199	193-200	223-235	231½-261½	191-204½	189-227½	210-260	212½-243½

1865.

Day of month.	January.	February.	March.	April.	May.	June.	July.	August.	September.	October.	November.	December.
1.....	S.	202½-205½	199½-201	151-153	142½-145½	Fast Day.	189½-141	143½-145½	144½-145	S.	145½-145½	148-148½
2.....	Holiday.	208½-206	196½-198	S.	140½-142½	187½-188½	S.	144½-145½	144½-144½	144½-144½	146-146½	147½-148½
3.....	206-220½	205½-209½	198½-199	145½-148	141½-141½	186½-187	188½-140½	144½-144½	S.	144½-144½	146½-147	S.
4.....	231-234½	208½-214½	199-200	146½-148	142-143½	S.	Holiday.	143½-144½	143½-144½	144½-146½	146½-147½	147½-148½
5.....	236½-239½	S.	S.	148-154½	142½-143½	185½-186½	189½-140½	143½-143½	144½-144½	146½-147½	S.	148½-148½
6.....	237-235½	212½-216½	198-199½	150½-153½	142½-143½	186½-187½	189-189½	S.	144½-145	146½-147	S.	148½-148½
7.....	236½-237½	212½-213½	197½-199	147½-150½	142½-143½	187-187½	189½-189½	143½-144	144½-144½	146½-149	147-147½	148½-148
8.....	S.	210½-214	195½-197½	148½-150½	S.	187½-188	189½-140½	143½-144½	144½-144½	S.	146½-147½	Thanksgiving
9.....	236½-237	211½-214	198½-196½	143½-145½	188½-143	187½-187½	S.	144½-144½	144½-144½	146-146½	146½-147½	145½-146½
10.....	232½-238½	210½-211½	196½-191½	146-147	181½-185½	187½-187½	189½-140½	143½-143½	144½-144½	145½-146½	146½-146½	144½-145½
11.....	230-233½	204½-209	188½-191½	145½-146	188½-181½	187½-187½	189½-140½	140½-141½	S.	144½-145½	146½-146½	S.
12.....	216½-219½	S.	S.	146-147	180½-183½	S.	189½-140½	140½-141½	143½-144½	144½-145½	146½-146½	144½-145½
13.....	218½-223	205½-207	185½-191½	146-147	180½-183½	188½-141	189½-140½	140½-141½	143½-144½	144½-145½	146½-146½	144½-145½
14.....	217½-221	207½-208½	177½-185	148½-153	180½-181½	140½-143	189½-140½	140½-141½	143½-143½	145-145½	146½-147	145-145½
15.....	S.	204½-206½	174½-178½	146½-147½	180½-181½	141½-143	142½-143½	141½-142½	143½-143½	144½-144½	147-147½	145½-146½
16.....	218½-221½	208-206	170½-176½	S.	180½-181½	143½-145½	142½-143½	141½-142½	S.	145-145½	147½-147½	145½-146½
17.....	214½-217	203½-204½	160-169	148½-153	180½-181½	143½-145½	142½-143½	141½-142½	143½-143½	145-145½	147½-147½	145½-146½
18.....	215-217	204-205½	163½-166½	146½-147½	180½-181½	143½-145½	142½-143½	141½-142½	143½-143½	145-145½	147½-147½	146-146½
19.....	208-214½	S.	S.	Holiday.	180½-181½	S.	142½-143½	141½-142½	143½-143½	146-146½	146½-147	S.
20.....	201½-207½	198½-202½	160½-167½	do do	180½-181½	140-143½	142½-143½	141½-142½	143½-143½	146-146½	146½-147	146½-146½
21.....	197½-206	196½-199½	154½-159½	147½-149½	180½-181½	187½-189½	142½-143½	141½-142½	143½-143½	146-146½	146½-147	146-146½
22.....	S.	Holiday.	156-149	149½-150½	180½-181½	189½-141½	142½-143½	141½-142½	143½-143½	145½-146½	146½-147	145½-146½
23.....	197½-208½	196½-200½	150½-157	S.	180½-181½	140-143½	142½-143½	141½-142½	143½-143½	146-146½	146½-147	S.
24.....	197½-208½	196½-200½	148½-153½	do do	180½-181½	S.	142½-143½	141½-142½	143½-143½	146-146½	146½-147	145½-146½
25.....	204½-207½	198-199½	153½-157½	Holiday.	180½-181½	140-141½	142½-143½	141½-142½	143½-143½	146-146½	146½-147	145½-146½
26.....	202-207	S.	S.	do do	180½-181½	140-141½	142½-143½	141½-142½	143½-143½	146-146½	146½-147	Holiday.
27.....	208½-215	199½-201½	153-155½	150½-153	180½-181½	140-141½	142½-143½	141½-142½	143½-143½	145½-146½	146½-147	145½-146½
28.....	218-220	200½-203½	153½-154½	147½-149½	180½-181½	141½-143	142½-143½	141½-142½	143½-143½	145½-146½	146½-147	145½-146½
29.....	S.	.....	151-152½	146-146½	180-187	188½-141½	142½-143½	141½-142½	143½-143½	145½-146½	146-146½	145½-146½
30.....	211-214½	.....	149½-151½	S.	187½-188½	189-189½	142½-143½	141½-142½	143½-143½	145½-146½	147½-147½	144½-145½
31.....	202-211	.....	151½-151½	.....	186½-187½	189-141½	142½-143½	141½-142½	143½-143½	145½-146½	.....	S.
Month..	197½-224½	196½-216½	148½-201½	143½-154½	198½-145½	185½-147½	188½-146½	140½-145½	149½-145	144½-149	145½-149½	144½-148½

[illegible]

The above table of daily prices show the following monthly changes:

STATEMENT EXHIBITING THE RANGE OF PRICES MONTHLY AND YEARLY.

[illegible]

[illegible]

FOREIGN EXCHANGE AT NEW YORK, ON FRIDAY WEEKLY, 1867.

Da's.	London (Bankers')		Paris		Antwerp.	Swiss.	Hamburg.		Continental Markets		Bremen.	Berlin.
	Long.	Short.	Long.	Short.			Ams'dam.	Frankf't.				
Jan. 4	108 1/2-109	110 1/2-110 1/2	517 1/2-518	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	80 1/2-81 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	72 1/2-73 1/2	
" 11	108 1/2-109	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	81 1/2-82 1/2	41 1/2-41 3/4	41 1/2-41 3/4	79 1/2-80 1/2	72 1/2-73 1/2	
" 18	108 1/2-109	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	82 1/2-83 1/2	41 1/2-41 3/4	41 1/2-41 3/4	79 1/2-80 1/2	72 1/2-73 1/2	
" 25	108 1/2-109	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	83 1/2-84 1/2	41 1/2-41 3/4	41 1/2-41 3/4	79 1/2-80 1/2	72 1/2-73 1/2	
Feb. 1	107 1/2-108 1/2	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	84 1/2-85 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 8	107 1/2-108 1/2	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	85 1/2-86 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 15	107 1/2-108 1/2	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	86 1/2-87 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 22	107 1/2-108 1/2	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	87 1/2-88 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 29	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	88 1/2-89 1/2	41 1/2-41 3/4	41 1/2-41 3/4	79 1/2-80 1/2	72 1/2-73 1/2	
March 1	107 1/2-108 1/2	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	89 1/2-90 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 8	107 1/2-108 1/2	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	90 1/2-91 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 15	107 1/2-108 1/2	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	91 1/2-92 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 22	107 1/2-108 1/2	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	92 1/2-93 1/2	41 1/2-41 3/4	41 1/2-41 3/4	79 1/2-80 1/2	72 1/2-73 1/2	
" 29	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	93 1/2-94 1/2	41 1/2-41 3/4	41 1/2-41 3/4	79 1/2-80 1/2	72 1/2-73 1/2	
April 5	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	94 1/2-95 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 12	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	95 1/2-96 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 19	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	96 1/2-97 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 26	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	97 1/2-98 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
May 3	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	98 1/2-99 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 10	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	99 1/2-100 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 17	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	100 1/2-101 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 24	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	101 1/2-102 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 31	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	102 1/2-103 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
June 7	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	103 1/2-104 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 14	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	104 1/2-105 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 21	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	105 1/2-106 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 28	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	106 1/2-107 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
July 5	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	107 1/2-108 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 12	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	108 1/2-109 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 19	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	109 1/2-110 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 26	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	110 1/2-111 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
Aug. 2	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	111 1/2-112 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 9	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	112 1/2-113 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 16	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	113 1/2-114 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 23	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	114 1/2-115 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 30	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	115 1/2-116 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
Sept. 6	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	116 1/2-117 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 13	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	117 1/2-118 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 20	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	118 1/2-119 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 27	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	119 1/2-120 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
Oct. 4	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	120 1/2-121 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 11	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	121 1/2-122 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 18	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	122 1/2-123 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 25	108 1/2-109	109 1/2-109 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	123 1/2-124 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
Nov. 1	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	124 1/2-125 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 8	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	125 1/2-126 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 15	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	126 1/2-127 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 22	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	127 1/2-128 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 29	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	128 1/2-129 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
Dec. 6	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	129 1/2-130 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 13	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	130 1/2-131 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 20	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	131 1/2-132 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	
" 27	109 1/2-109 1/2	110 1/2-110 1/2	516 1/2-517 1/2	515-519 1/2	517 1/2-518 1/2	517 1/2-518 1/2	132 1/2-133 1/2	41 1/2-41 3/4	41 1/2-41 3/4	78 1/2-79	71 1/2-72 1/2	

RANGE OF GOVERNMENT SECURITIES, 1868.

The following table will show the monthly range of Government securities, as represented by daily sales at the New York Stock Exchange Board, during the year 1868:

	—5's, 1881—		—5's (5-20 y'rs), Coupon—					5's, 10-40, 7-20.		
	Comp.	Reg.	1862.	1864.	1865.	new.	1867.	1868.	y'rs C'n.	2d ar
January—										
First.....	108½	108½	108½	105½	108	104½	104½	....	102	104½
Lowest...	108½	108½	107½	105½	106	104½	104½	....	101½	104½
Highest..	111½	111½	111½	109½	110½	108½	108½	....	104½	108½
Last.....	111½	111½	111½	108½	109½	107½	107½	....	104½	107½
February—										
First.....	111½	111½	111½	109½	110	107½	108	....	104½	107½
Lowest...	110½	110½	110	107½	108½	106½	106½	....	104½	105½
Highest..	112½	111½	111½	109½	110½	108	109½	....	105½	108
Last.....	110½	110½	110	107½	108½	106½	106½	....	104½	105½
March—										
First.....	111	111½	110½	107½	106½	106½	107	....	101½	105½
Lowest...	110½	110½	109½	107½	108	106½	106½	....	100½	105½
Highest..	111½	111½	110½	108½	109	107½	107½	....	101½	106½
Last.....	111	110½	109½	107½	108½	106½	107	....	100½	105½
April—										
First.....	111	111½	109½	107½	107½	106½	107	....	100½	105½
Lowest...	111	111	109½	107½	107½	106½	106½	....	100½	105½
Highest..	113½	113½	112½	110½	111	109	109½	....	102½	107½
Last.....	113½	113½	112½	110½	111	109	109½	....	102½	107½
May—										
First.....	113½	113	108½	106½	107	109	109½	....	103½	107½
Lowest...	113½	113	107½	106½	106½	108½	109½	....	103	107½
Highest..	115½	115½	111½	109½	109½	111½	112	....	105½	109½
Last.....	115½	115½	111½	109½	109½	111½	112	....	105½	109½
June—										
First.....	116½	111½	112½	110½	110½	112	113½	109½	106½	109½
Lowest...	116½	111½	111½	109½	110	112½	113½	109½	105½	109½
Highest..	118	113½	113½	111½	111½	114½	114½	110½	107½	110½
Last.....	117½	113½	113½	110½	111½	113½	114	110	107½	110
July—										
First.....	113½	112½	112½	110½	110½	109	109½	109½	107	109½
Lowest...	113	112½	112½	110	110½	108	108½	108½	107	108½
Highest..	115½	115½	114½	111½	112½	109½	109½	109½	108½	109½
Last.....	115½	115½	114½	111½	112½	108½	109½	109½	108½	108½
August—										
First.....	115½	115½	113½	111½	112½	108½	109	109	108½	....
Lowest...	113½	113	113½	108½	110½	107½	107½	107½	108½	....
Highest..	116	115½	115	111½	112½	109½	109½	109½	109½	....
Last.....	114½	114	114	109½	111½	108½	108	108½	109	....
Sept—										
First.....	114½	113½	113½	109½	111½	108	107½	108½	105½	....
Lowest...	113½	113½	112½	109½	109½	107½	107½	107½	104½	....
Highest..	114½	114	115½	110½	111½	109½	109½	109½	105½	....
Last.....	113½	113½	112½	109½	109½	107½	108	108½	104½	....
October—										
First.....	113	112½	112½	110	109½	108½	108½	108½	104½	....
Lowest...	113	112½	112½	110	109½	108½	108½	108½	104½	....
Highest..	116½	113	114½	112½	112½	111½	111½	111	106½	....
Last.....	115½	114	113½	111½	112½	107½	111½	111½	106½	....
Nov—										
First.....	115½	113	109½	108	107½	110½	110½	110½	106	....
Lowest...	113½	113	106½	106	105½	106½	106½	106½	104	....
Highest..	115½	115	113½	108½	108½	110½	111½	110½	108½	....
Last.....	115	114½	111½	107½	107½	110½	110½	110½	106	....
Dec—										
First.....	114½	110½	110½	107½	107½	110	110½	110½	105½	....
Lowest...	114½	108½	110	106½	107½	109½	109½	110	105	....
Highest..	115	110½	111½	107½	108½	110½	111	111	105½	....
Last.....	114½	109	111½	107½	107½	110½	111½	111½	105½	....
Year 1868—										
First.....	108½	108½	108½	105½	108	104½	104½	107½	102	104½
Lowest...	108½	108½	106½	105½	106½	104½	104½	107½	101½	104½
Highest..	118	115½	115½	112½	112½	114½	114½	112	109½	110½
Last.....	114½	109	110½	107½	107½	110½	111½	111½	102½	108½

SPECIAL REPORT ON THE REVENUE.

The third annual report of Mr. David A. Wells, the Special Commissioner of Revenue, is a valuable document. It deserves, and will, no doubt, receive more attention from Congress than has been practically accorded to Mr. Wells' previous reports. A large part of this statistical document on the revenue is taken up with discussions about national development, irredeemable currency, the growth of wealth, the future financial policy, the refunding of the debt, the legalizing of coin contracts and the desirableness of allowing the banks to issue more notes than the \$50 millions now allowed by law. The introduction of such extraneous matters into a revenue report, either extends it to an inordinate length, or else leads, as in the present case, to the omission and crowding out of facts and evidence which are of paramount importance.

The two great topics of Mr. Wells' report—the tariff and the internal revenue system—are treated with considerable ability. As to the first he protests against any further general increase of the customs duties. He would also enlarge the free list, reduce certain duties and increase a few others, with a view to increase the revenue. He would also convert the *ad valorem* rates into specific duties, and he would protect home industry by lightening the duties on imported material and appliances used in our manufactures.

The general views of Mr. Wells on the tariff are worthy of examination, and not the less so because they are more or less distasteful in both the hostile camps of protection and free trade. The nation during the past few years has rapidly learned to appreciate the effect of a universal and indiscriminate system of internal taxation in the enhancement of prices and in the restriction of production ; but Mr. Wells declares the inevitable tendency which the adoption of a similar system of taxation under the tariff has to produce results corresponding and analogous. He illustrates his assertion by a reference to the fact that we have ruined the ship-building trade by excessive taxation, so that now "we can neither build, buy nor sell an American vessel." We cannot but think that Mr. Wells has somewhat overdrawn his picture, but the reasons he gives for the decadence of this branch of our industrial enterprises merit careful investigation, for they affect other departments of trade besides that of ship-building. These reasons are as follows :

"While protecting the ships, we have also protected to nearly an equal degree the separate constituents that enter into the construction of ships, viz., the timber, the iron, the copper, the cordage and the canvass ; and the two agencies have so far neutralized and counterbalanced each other that neither party, within this particular sphere of industry, has been benefited ; the ships not having been built, or the constituents of their construction created or applied, while the community at large,

whose interest it is that all these branches of industry should prosper, has likewise received no benefit, but rather detriment from the suspension or diversion of labor and capital from its previous employments. The same system, moreover, of checks and balances growing out of the indiscriminate and universal taxation under the tariff which we have thus shown to exist in ship-building, has been also so far extended to every other branch of production, that if ships available for foreign trade were to-day furnished to hand, without cost, their use must be exceedingly limited, for the reason that the high prices of all domestic commodities would effectually prevent that exchange with foreign countries which in itself constitutes commerce."

As the tariff now stands, Mr. Wells believes that it is injurious and destructive, and denies that it affords to American industry that stimulus and protection which are claimed as its chief merit. He opposes, however, the advances asked in the bills now before Congress, because in his opinion they would not only aggravate the difficulties of the country, and impair the revenues of the Government, but would even hinder the return to specie payments. In behalf of these opinions Mr. Wells appeals to the true friends of American industry for countenance and support, predicting that if unnecessary and iniquitous burdens of taxation under the tariff continue to be laid upon the people, the day is not far distant when a reaction of public sentiment will compel either a sweeping reduction of duties, or induce through agitation such an instability in legislation as will in itself prove most injurious and destructive. It is to be regretted that Mr. Wells has not entered upon some specific details of a tariff revision, but the precise changes required in his judgment he promises to lay down in an additional report, or personally to the Finance Committees of Congress. As a bill proposing a change in the existing warehouse system is now pending before Congress, some recommendations in respect to this system are given in an appendix.

Of the internal revenue system, Mr. Wells gives a much better account. He shews that since the taxes began to be levied, in 1863, more than 1,100 millions of dollars have been raised, and that "so long as the war continued and the demand for manufactured products—owing to the enormous consumption of the army and the withdrawal of labor from its accustomed avocations—was fully equal to, or in excess of supply, so long taxation under the internal revenue was not regarded by the majority of producers as at all oppressive; but on the contrary, by reckoning taxation in common with labor and material as an element of cost, and profit as a per centum on the whole, it was very generally the case that the aggregate profit of the producer was actually enhanced." With the close, of the war, however, a change came. The wheels of industry were clogged and the productive machinery of the country was deranged by the tax burden which had previously been scarcely felt. Congress interposed. Vexations, unproductive and needless taxes were taken off, to the amount of at least 170 millions a year. We have now so perfected

our system, that, as Mr. Wells justly observes, "it approximates closely to that which the experience of more than three quarters of a century in England has shown capable of yielding the most revenue at the least sacrifice of the productive forces of the people.

As to the improvements of which our internal revenue system is capable, Mr. Well's statements are as vague and general as those about the tariff. He makes the remark that but little legislation is required to still further perfect the system. It should repeal the taxes now levied upon telegraph and express companies; upon the gross receipts of railroads, steamboats, and other common carriers for the transportation of passengers; and the percentage taxes on the sales of merchandise; the gross receipts from all of which is less than one-half the annual expenditures during the last two fiscal years for the equalization of bounties. When this shall have been accomplished, he says that the entire internal revenue system will have been made wholly subordinate to the more important end of creating national wealth; and under it no direct obstacle whatever will be imposed by the Government, which can prevent the domestic producer from placing his product upon the market at the lowest possible cost.

As to the effect produced on prices by repealing taxation Mr. Wells tells us that "thus far the abatement of prices consequent upon the large annual reduction of taxes has not been what was anticipated, or what the large amount of revenue abandoned would seem to have warranted. In the case of not a few articles, as pig iron, manufactured lumber and salt, the prices since the removal of taxation have actually advanced, while in other instances, as in the case of agricultural implements, sewing-machines, hoop-skirts, manufactures of silk, newspapers, and, in fact most articles which are the products of monopolies created by patents, established custom or other circumstances, the repeal of the internal tax, through the maintenance of former price, has been only equivalent to legislating a bounty into the pockets of the producer." This confirms the general remark which has often been made by European political economists that prices adjust themselves slowly and with difficulty to changes which taxation introduces into the cost of production, but that generally the advance of prices when a new tax is imposed is instantaneous, while the fall of prices from the repeal of the tax is slower, being forced down by the law of demand and supply.

THE NEW YEAR IN EUROPE.

The year 1869 opens to Europe the prospect, says the London *Times*, of a "most precarious peace." These words from the organ of the commercial classes of Great Britain, are, to be sure, less significant than the famous phrases addressed by the Emperor of the French to the Austrian Ambassador, at the Tuilleries, on New Year's Day, in 1859. Yet they are not to be lightly received. For, though a British journal, unlike a French emperor, can neither make nor break the peace whereof it speaks, there are so many threatening features in the present aspect of European affairs, that the *Times* could hardly boast very loudly of its prophetic wisdom were the summer of 1869 to justify, in a "blood-red blossom of war," the fears with which it tempers the holiday rejoicings of the winter.

The perils which overcast the immediate future of the world's peace may be divided into two great classes: the perils *imminent* in certain actual political crises, and the perils *contingent* upon certain highly possible political accidents. Of the first class, the most conspicuous were in the political crisis through which Spain is now passing, and in the issue which has at last been boldly taken by the Turkish government with Greece. Of the second class, the most important attach themselves to the political situation in France and in Germany. Let us consider each class in its turn.

The Spanish Revolution, which promised so much at its outset, has thus far failed to keep its promise. The dynasty of the Bourbons has indeed been overthrown, and the Spanish people have been restored to a sort of control over their own affairs. But that control is after all imperfect; nor is there much in the history of the last two months to encourage the belief that were it as complete as it is incomplete, the Spanish people would be found capable of administering their own affairs as judiciously or as successfully as many sanguine lovers of popular government were led by the events of last fall to anticipate. The protracted *interregnum* of the Provisional Government has only resulted, so far, in exasperating what began as a local rising in the most important of the Spanish colonies, into something very like a genuine revolution, and in damaging the republican cause by the opportunities it has given to violent and fanatical men of identifying the Republican party in Spain with aimless and disheartening outbreaks of popular violence. Whether this unsatisfactory state of affairs in Spain has been connived at or instigated by the Government of France, cannot be positively known. But it is certain that the Emperor Napoleon has gained by it, at least in respect to the strength of the hold which his system has

upon the French people, in virtue of the fact that it is their only real alternative from a French Republic. It is clear that Spain would long ere this have been settled upon a practicable basis of constitutional monarchy, had it not been for the difficulty of finding a satisfactory monarch. Now the French people are perfectly well aware that in this particular a revolution would leave France no better off than Spain now is. Neither the pretender of the elder French line, Henry V., commonly called the Count of Chambord, nor the Princes of the younger line of Orleans can be said to be any more popular with the people of France, than Don Carlos, Don Sebastian, Don Ferdinand, the Duke of Montpensier, or the Duke of Aosta have proved to be with the people of Spain. It may very well have seemed worth while to Napoleon III. to keep Spain for a few months in a condition of dangerous effervescence, for the purpose of impressing this lesson by example upon his own subjects. Be this as it may, however, there is a point beyond which it will neither be safe for Spain, for France nor for Europe that Spain should be allowed to go in the process of fermentation. That point, we judge, is nearly reached. And it is not by any means improbable that upon the failure of the Spanish *plebiscitum* (soon now to be taken) to settle the dynastic question for Spain, a system modelled upon the Napoleonic system, with General Prim at its head, may be sprung and fixed upon that country. This system might not and probably would not carry with it any guarantee of permanency for itself; but it would at least remove the Spanish question for the time from the list of the active disturbing forces in European politics. The strength of the Spanish army, and its apparent fidelity to its leaders conspires with the practical disintegration of Spanish political parties, and the comparative weakness in Spain of those great material and social interests which are so powerful in more thoroughly modernized countries, to favor the success of any well-calculated step towards the establishment of such a system. We may therefore conclude the Spanish question to be less really and immediately dangerous to the peace of Europe than it might from a superficial observation of the state of affairs abroad be inferred to be.

The same thing, we are convinced, is true of the Eastern question, in its present shape. The Atlantic Cable has throbbed for weeks past with warlike mutterings from the Levant. The names of Syra, of Hobart Pasha, and of the Greek steamer *Enosis*, have been reiterated in the columns of the daily press till they have become at once as familiar to the eyes, as formidable to the fancy, and as vague of meaning to the minds of most people as once were the names of Duppel, and Schleswig-Holstein, and the Duke of Augustenbourg. Once more, too, we have had the Emperor Napoleon coming forward with his political panacea of a

European conference; and these signs and wonders in the air are interpreted not unnaturally to signify the near approach of that long-dreaded grapple of the Moslem with the Christian in the East from which the politicians and the statesmen of the world have so long looked for the "beginning of the end" of the so-called "balance of power" in the Old World.

But the truth is, we think, that the decisive declaration by Turkey of her determination to exact of Greece a strict fulfilment of her international duties, even at the price of war, is more likely to abate than it is to aggravate the political dangers of the Eastern question.

Of all the greater European powers, Austria alone is just now in a condition to make the notion of a war on the Eastern question not absolutely disagreeable to her. And this not because Austria either desires war really, or feels herself equal to enduring a great war without a very serious strain upon her resources, but because Austria foresees clearly the coming of a great collision between herself and Russia in the east of Europe, and, foreseeing this collision, may reasonably think the present as favorable a moment as she is likely in a long time to come upon, for confronting the peril. For at this moment Russia, for grave financial and social reasons, is greatly averse from war; nor can either of the other great powers be said to desire war. Prussia, upon which Russia leans as her ally, is just now in such a crisis of her German relations as would make it particularly vexatious for her to find herself dragged into a conflict in behalf of Russian aggrandizement against Austrian consolidation. England is too much intent upon strengthening her Indian frontiers towards the North, where, from her Himalayan fortresses, she descries afar off the advancing cross of St. Andrew and the green uniforms which fought at the Alma and at Inkermann, to be willing to see herself compelled to open the battle prematurely on the Levant and the Euxine also. France has the Suez canal on her hands, and the growing Prussian ascendancy to watch. Were the East to get into a blaze now, Austria might hope for something at least in the way of a reinforcement of her exposed position on the Lower Danube; and Austria, therefore, may be reasonably supposed to have stimulated Turkey to the energetic course which has just been taken by the Sublime Porte. But it will depend upon the other great powers whether the assertion of her rights by Turkey, backed by Austria, shall or shall not lead to a real conflict with Greece, and through that to a general European war. We have already shown why it is extremely unlikely that these other great powers, no matter what may be their feelings for or against either Turkey or Greece, should suffer such results to follow. And as such results can only be averted by a practical diplomatic defeat of the Greeks,

we may expect to see such a defeat. The aspirations of the "Hellenes" will be once more thwarted. The Cretan insurrection, extinguished in Crete, will not be suffered to be rekindled elsewhere.

If the actual political difficulties of the hour in Europe then are not so full of peril as the *Times* would have us believe them to be, can the same thing be said of the political contingencies of the year in Europe?

Hardly, we think. And this, in the first place, for the simple reason that they are contingencies. It may happen at any time that the Emperor of the French, now past his sixtieth year, should cease to live. It is not very likely that while he lives he should cease to reign. But he ceasing to live, who can forecast the future of France, or of Europe? It has become fashionable of late to sneer at the political skill and genius of Napoleon III. But take him out of the way, and who will not do homage, if it be only the reluctant homage of fear and dismay, to the great qualities which have enabled him so long to master the French people and so brilliantly to illustrate the renown of France? In like manner, were Bismarck to be removed suddenly from his unfinished task of the unification of Germany nothing is more likely than that the French Government should avail itself of the opportunity to press upon and interrupt that task. This could not be done without setting Europe on fire.

Finally, then, we find in the chances upon which political confusion in Europe may supervene during the year 1869, a much more adequate ground for the justification of the alarm with which large numbers of practical people are looking forward to the coming twelvemonth, than is to be found in the actual condition either of Spain or of the Levantine countries.

THE NEW YORK CENTRAL DIVIDEND.

For some time past the stockholders of the New York Central Railroad Company have been promised a division of a certain large surplus of earnings said to exist in the hands of the Company. In three or four instances this promise, coming apparently from the management, has been made the occasion of extensive speculations, under which the stock has fluctuated between 115 and 135; and at last the dividend has come, exceeding the most sanguine expectations. Upon all outstanding stock, the holders receive a certificate equivalent to eighty per cent of the amount of their shares, and four per cent in cash on the stock and on the certificates, making \$7 20 in cash, and eighty per cent in scrip. The dividend was made, with very singular precipitance, near midnight of Saturday last, and at the residence of one of the city directors. If we may believe all that is stated in well-informed circles, some millions of this scrip had been prepared in anticipation of the action of the Board, and was taken by a leading director on account of himself and friends,

immediately upon the passage of the resolutions, to evade, it is presumed, any possible legal interruptions. Before daylight on Monday an injunction was served upon the Treasurer of the Company, restraining him from issuing the certificates; but the Treasurer is understood to have disregarded the prohibition upon the ground that the documents were being issued by the Union Trust Company, a function which we have reason to believe that Company disclaims. However this may be, the certificates have since been in process of issue from the hands of the Treasurer. An injunction was also issued a short time previous to the directors' meeting, restraining the direction from making any dividends upon the stock issued against convertible bonds; and the officers of the Company state that they intend to respect that order so far as to issue the scrip only against about \$23,000,000 of stock, until the injunction is settled. The scrip declares the holders to be entitled to the same dividends as may be paid upon the share capital, and conveys a claim to an equivalent amount of stock upon the Company obtaining authorization to issue it. In some quarters serious doubts are expressed as to the validity of this very peculiar form of scrip; the directors, we have reason to believe, however, have taken the best legal advice to assure themselves upon that point.

The scrip is said by the Board to represent surplus earnings invested in construction and real estate and the general appreciation of the property of the company. This pretense is the most marvellous feature of this extraordinary proceeding. It is very unexpected information to the public that the Central Company has had any important surplus for employment in construction or real estate; and the inquiry is very naturally made, where do these investments appear? So slight has been the surplus that money has repeatedly been borrowed for the payment of dividends, and the directors have represented to the Legislature that, without an increase of fare, they could earn nothing for the stockholders. The reports made to the State Engineer show that, after paying ordinary expenses and providing for interest and dividends, the surplus income for the last fourteen years aggregates only about \$5,000,000 which has been represented by additional issues of stock. To represent that the surplus income and the improved value of the Company's real estate warrant an increase of capital to the extent of \$22,500,000 is nothing short of an attempt to practice a bold deception upon the public. It was, however, necessary to make some show of reason for this extraordinary procedure; and this was, doubtless, deemed the one best calculated to serve the purposes of the directors.

The real occasion of the dividend is to be found in the speculative operations of parties associated with the management. It is a matter we understood in the better informed circles of Wall street, that, some few months ago, a knot of capitalists, mostly in the direction combined for

the purchase of \$7,000,000 of the stock of the Company ; and in order to facilitate the purchase and the carrying of the stock, a loan was contracted with a London banking house upon the stock as collateral, the loan to run for two years, if necessary. The stock was systematically depressed previous to the purchase, and was bought at from 84 to 95, averaging about 90. In addition to this, a prominent director and his family have held a large amount of the stock from the inception of Mr. Vanderbilt's control ; and this clique operation served as a support to his management, the operators being pledged to his policy and basing their operation on a knowledge of his plan. The declaration of this dividend is the consummation of the scheme. The clique realise about 60 per cent profit on \$7,000,000 of stock, or say \$4,200,000, and a family prominently connected with the road makes a still larger profit. But how has it fared with the ordinary stockholders? At the time these gentlemen formed their magnificent scheme, the stockholders outside the "ring" were not only held in utter ignorance of the private plans of the directors, but the stock was systematically depreciated below its real value, so as to frighten them into selling to the directors and their friends.

This operation is a fair illustration of the manner in which directors speculate upon their exclusive knowledge of the affairs of corporations, to the injury of the non-official stockholders. Either the New York Central Company has had a much larger surplus income than appeared from its annual reports, and the present dividend fairly represents it, or the representations of surplus earnings are fictitious and the dividend is unwarranted. In the former case, the stockholders ought not to have had the prosperous condition of the road concealed from them, but should, in all justice, have been allowed a full knowledge of the facts necessary to properly estimate their stock ; such information, however, would have prevented the stockholders from selling to the directors at low figures, and for that reason it was withheld. In the latter case, the public equally suffer from their ignorance of the affairs of the road ; for they are quite likely to take from the directors and their friends the stock they have advanced to such high figures, upon the pretence of the extraordinary prosperity of the Company. While directors are permitted to monopolise information respecting the business of the roads, they are not to be expected, in the present condition of public morals, to avoid the temptation to practice upon the ignorance of the stockholders and the public. The only remedy is in the Legislature requiring each road to make a faithful return of earnings and expenses at least once a month. The New York Central company has confined itself to an annual statement ; had it done justice to its stockholders, by making a monthly return of its business, the stockholders would not have been taken by surprise with this extraordinary dividend. Unless some measures are adopted for terminating this official concealment, there is no possibility of the maintenance of public confidence in railroad securities.

TREASURE MOVEMENT AT NEW YORK FOR THE LAST TEN YEARS.

The following statement of the movement of treasure at New York, the amounts received from California, foreign ports, and the interior, and the amounts shipped to foreign ports and to the interior monthly for the ten years ending December 31, 1868, also the amount in banks and the movement of the issuing of gold sold by the banks, and by them accounted for and their publishe returns.

Month, &c.	Treasure in banks and Sub-Treasury on last of month.	Accessions of treasure during month, &c.— Received from California.	Imported from foreign ports.	From all other sources & boards.	Aggregate across state.	Total supply of treasure for month, &c.	Treasure withdrawn from market.— Exported to foreign ports.	Returned inland and to boards.	Aggregate withdrawn.	Treas. in banks and Sub-Treasury on last of month.
January.....	\$90,628,586	\$1,941,169	\$136,574	\$16,161,043	\$18,238,765	\$117,862,813	\$7,349,622	\$.....	\$7,349,622	\$110,518,991
February.....	110,512,991	4,184,079	415,875	323,864	4,760,218	115,972,939	4,303,823	.....	4,303,823	111,009,894
March.....	111,009,894	3,036,195	1,599,774	.....	4,906,973	116,065,356	3,694,913	11,334,496	15,239,403	100,885,948
April.....	100,885,948	3,735,381	871,079	5,347,926	9,972,676	110,808,624	6,093,179	.....	6,093,179	104,714,445
May.....	104,714,445	3,033,885	477,486	1,389,697	5,394,467	110,028,913	15,955,321	.....	15,955,321	94,073,591
June.....	94,073,591	3,283,255	868,111	.....	4,771,397	98,844,978	11,832,683	5,168,301	16,999,989	81,854,149
July.....	81,854,149	3,510,596	126,443	10,459,886	14,096,364	95,950,513	10,384,535	.....	10,384,535	85,765,835
August.....	85,765,835	3,370,225	806,331	8,042,945	9,150,005	94,915,840	4,690,399	.....	4,690,399	89,794,971
September.....	89,794,971	3,744,960	908,558	.....	4,351,508	94,046,479	1,954,723	3,505,940	4,781,953	89,784,516
October.....	89,784,516	3,024,778	154,852	554,967	3,144,597	91,399,353	1,903,739	.....	1,903,739	89,690,644
November.....	89,690,644	1,300,780	230,316	1,431,076	1,431,076	91,111,190	1,181,026	3,900,009	5,081,944	86,029,796
December.....	86,029,796	784,019	391,490	10,398,152	11,463,662	97,498,358	1,717,905	.....	1,717,905	88,780,456
Year 1903.....	99,628,586	33,944,895	7,053,359	69,376,473	90,406,927	190,080,625	70,841,106	36,468,846	94,890,043	95,790,638
1904.										
January.....	\$94,775,476	\$2,472,595	\$126,719	\$4,728,143	\$7,351,757	\$97,537,365	\$3,551,256	.....	\$3,551,256	\$94,775,476
February.....	94,775,476	1,740,109	198,491	2,032,519	2,838,019	98,537,995	2,114,451	.....	2,114,451	94,728,487
March.....	94,728,487	1,598,557	145,267	.....	3,043,794	98,770,161	1,891,141	1,614,070	.....	95,370,430
April.....	95,370,430	3,148,554	371,710	6,045,161	9,466,585	104,786,975	2,361,253	.....	2,361,253	102,475,693
May.....	102,475,693	1,181,198	578,735	9,585,850	11,433,783	114,599,395	9,143,154	.....	9,143,154	101,815,241
June.....	104,556,941	2,548,773	499,184	.....	3,087,957	107,944,193	6,734,972	8,130,501	10,344,773	97,579,435
July.....	97,579,435	2,692,139	54,806	11,535,470	14,654,315	119,393,640	13,519,694	.....	13,519,694	98,713,746
August.....	98,713,746	3,997,100	840,344	.....	4,517,344	103,331,090	1,714,594	6,706,265	8,428,859	94,197,361
September.....	94,797,361	2,611,440	345,809	1,133,337	4,145,446	98,942,707	2,301,953	.....	2,301,953	96,740,749
October.....	94,740,749	2,339,294	268,790	1,517,515	4,319,506	100,960,337	1,132,041	.....	1,132,041	99,771,806
November.....	99,771,806	513,335	161,819	2,075,334	3,770,493	103,548,714	1,733,361	.....	1,733,361	101,515,435
December.....	101,515,435	2,383,198	263,016	1,111,745	4,068,963	106,478,316	6,634,548	.....	6,634,548	99,628,586
Year 1904.....	90,175,476	23,391,899	2,310,339	41,698,874	73,194,609	163,870,037	51,507,939	11,944,806	69,746,369	99,628,586

1866.

January.....	\$53,470,974	\$1,495,314	\$73,771	\$9,793,761	\$11,904,446	\$64,983,430	\$9,706,336	\$.....	29,706,336	\$62,219,034
February.....	62,19,084	3,603,001	172,143	1,501,387	5,476,709	67,493,793	1,807,030	.....	1,807,030	65,783,763
March.....	61,083,763	2,968,201	265,864	.....	4,944,145	60,932,408	1,045,039	6,852,296	7,897,335	62,035,674
April.....	62,066,673	1,539,421	161,817	6,925,913	7,921,351	69,981,934	588,475	.....	648,876	69,473,049
May.....	69,373,019	3,092,143	393,078	10,839,030	14,744,241	84,117,340	28,744,194	.....	29,744,194	60,373,036
June.....	61,873,046	1,842,271	91,549	.....	1,936,220	62,819,916	15,300,956	4,240,408	20,131,361	42,178,665
July.....	42,178,545	6,754,660	345,961	12,448,550	19,549,150	61,727,785	6,821,459	.....	5,821,459	55,906,276
August.....	55,906,276	4,477,659	249,231	8,701,546	19,451,466	69,357,748	1,567,851	.....	1,567,851	47,749,891
September.....	67,769,891	2,834,433	5,191,473	306,506	8,884,411	76,154,302	1,488,450	.....	884,550	75,319,753
October.....	75,319,753	4,902,107	1,434,138	3,039,644	9,876,009	84,695,761	1,468,450	.....	.....	83,232,311
November.....	18,392,311	1,69,391	802,497	9,217,535	11,684,893	94,917,144	2,776,690	.....	2,776,690	91,140,544
December.....	91,140,504	4,822,023	352,033	.....	4,675,116	95,815,629	2,297,270	2,942,872	5,640,142	90,175,478
Year 1866.....	53,630,974	41,481,736	9,578,029	61,534,023	112,542,777	166,174,751	62,563,700	12,425,573	75,992,273	90,175,478

1865.

January.....	\$30,051,450	\$2,043,457	\$52,263	\$1,376,923	\$3,472,653	\$33,527,103	\$3,184,853	\$.....	\$3,184,853	\$30,242,250
February.....	30,342,250	914,735	106,704	4,181,853	5,203,212	35,545,542	1,023,201	.....	1,023,201	34,522,341
March.....	34,522,341	1,614,975	243,242	739,350	2,711,567	37,233,903	281,913	.....	281,913	36,851,915
April.....	36,851,915	2,307,025	246,492	1,872,834	3,916,341	40,768,336	871,249	.....	871,249	39,237,087
May.....	39,237,087	1,257,651	177,035	8,892,448	10,327,184	50,224,271	7,255,071	.....	7,255,071	42,980,200
June.....	42,980,200	750,469	249,732	5,929,172	6,329,373	49,295,573	5,199,422	.....	5,199,422	44,030,101
July.....	44,030,101	1,042,305	253,640	4,710,940	6,057,335	50,156,486	723,936	.....	723,936	49,432,540
August.....	49,432,540	1,676,177	182,072	2,663,543	4,526,791	53,059,201	1,554,393	.....	1,554,393	52,404,393
September.....	52,404,393	2,040,446	194,224	.....	2,234,070	54,639,563	2,494,973	5,543,616	8,043,589	46,513,974
October.....	46,513,974	2,481,088	77,942	.....	2,559,030	49,155,004	2,516,226	2,072,285	4,588,511	44,541,493
November.....	44,541,493	1,952,675	236,526	5,985,523	8,174,724	52,741,217	2,046,190	.....	2,046,190	50,615,097
December.....	50,615,097	3,345,283	127,064	2,214,731	5,688,086	56,383,135	2,752,161	.....	2,752,161	53,630,974
Year 1865.....	30,064,450	21,531,736	2,137,011	37,532,311	61,201,103	91,255,553	30,003,633	7,620,901	37,624,584	53,630,974

1864.

January.....	\$37,992,534	\$939,201	\$141,730	\$6,943,554	\$7,429,545	\$45,422,079	\$5,459,079	\$.....	\$5,459,079	\$39,963,000
February.....	39,963,000	1,250,069	88,150	4,825,148	6,163,267	46,126,367	3,015,367	.....	3,015,367	43,111,000
March.....	43,111,000	1,121,338	104,437	4,694,637	5,850,402	48,961,402	1,800,559	.....	1,800,559	47,110,843
April.....	47,110,843	854,242	285,814	.....	1,140,056	48,300,899	5,883,077	1,392,603	7,275,679	41,025,220
May.....	41,025,220	933,770	660,092	406,173	2,000,035	43,025,255	6,460,930	.....	6,460,930	36,564,325
June.....	36,564,325	723,951	146,731	.....	870,692	37,435,007	5,170,551	1,206,906	6,377,457	31,057,550
July.....	31,057,550	711,645	128,052	3,310,690	4,150,387	35,207,987	3,309,837	.....	3,309,837	31,898,050
August.....	31,898,050	1,241,155	245,853	822,750	2,309,763	34,207,813	1,001,014	.....	1,001,014	33,206,799
September.....	32,206,799	1,069,159	53,230	324,824	1,572,213	34,779,012	2,835,398	.....	2,835,398	31,943,614
October.....	31,943,614	553,873	129,775	2,522,221	4,507,474	36,451,088	2,496,221	.....	2,496,221	33,154,867
November.....	33,154,867	882,276	161,627	1,239,160	2,273,063	35,227,930	7,267,693	.....	7,267,693	28,960,268
December.....	28,960,268	2,205,679	114,976	4,876,964	7,197,559	36,157,827	6,103,377	.....	6,103,377	30,064,450
Year 1864.....	37,992,534	12,907,806	2,265,523	30,201,231	45,464,546	88,457,080	50,803,123	2,599,503	53,402,680	90,064,450

1863.

Months, etc.	Treasure in banks and Sub-Treasury on list of month.	Accessions of treasure during month, etc.			Total supply of treasure for month, etc.	Treasure withdrawn from market			Treas. in banks and Sub-Treasury on list of month.
		Received from California.	Imported from foreign ports.	From inland sources & hoards.		Aggregate accessions.	Exported to foreign ports.	Returned inland and to hoards.	
January.....	\$40,971,000	\$2,337,633	\$101,906	\$1,619,833	\$45,019,360	\$4,043,370	\$4,634,574	.....	\$40,394,786
February.....	40,394,786	951,823	213,971	3,455,505	45,016,035	4,621,299	3,945,654	.....	41,050,421
March.....	41,050,421	1,697,176	123,616	1,052,999	43,934,212	2,873,791	6,585,442	.....	37,338,770
April.....	37,338,770	734,934	107,061	2,367,333	40,438,143	3,099,373	1,972,834	.....	38,465,314
May.....	38,465,314	773,123	197,217	2,337,473	42,276,131	3,810,817	2,115,679	.....	40,160,453
June.....	40,160,453	809,176	109,997	2,929,294	44,008,859	3,848,397	1,367,774	.....	42,641,035
July.....	42,641,035	726,027	162,945	1,363,751	44,913,103	2,272,033	5,268,831	.....	39,644,227
August.....	39,644,227	831,113	113,877	838,063	41,477,280	1,833,053	3,465,261	.....	38,022,019
September.....	38,012,019	750,259	78,231	3,736,333	42,626,842	4,614,823	3,480,335	.....	39,146,457
October.....	39,146,457	1,032,899	78,053	4,322,993	44,580,407	5,433,950	6,210,156	.....	38,370,251
November.....	38,370,251	713,021	103,144	3,093,137	42,285,553	3,915,393	5,438,363	.....	36,847,190
December.....	36,847,190	857,633	118,961	5,427,743	43,251,537	6,404,397	5,259,053	.....	37,022,534
Year 1863.....	40,971,000	12,207,320	1,528,379	33,040,001	87,746,590	47,775,600	49,754,056	.....	37,022,534

1862.

Months, etc.	Treasure in banks and Sub-Treasury on list of month.	Received from California.	Imported from foreign ports.	From inland sources & hoards.	Aggregate accessions.	Total supply of treasure for month, etc.	Exported to foreign ports.	Returned inland and to hoards.	Treasure withdrawn from market	Treas. in banks and Sub-Treasury on list of month.
January.....	\$29,030,000	\$2,139,533	\$163,653	\$931,794	\$3,264,985	\$32,314,945	\$2,653,274	.....	\$2,653,274	\$29,656,711
February.....	29,659,711	2,250,795	62,007	3,142,406	5,455,203	35,111,919	3,776,919	.....	3,776,919	31,335,000
March.....	31,335,000	1,846,753	83,327	3,554,154	5,489,233	36,894,233	2,471,233	.....	2,471,233	34,353,000
April.....	34,353,000	1,834,117	26,152	3,553,406	5,413,673	39,766,673	4,037,673	.....	4,037,673	35,729,000
May.....	35,729,000	1,939,771	110,333	5,731,477	7,831,636	43,560,636	5,164,636	.....	5,164,636	38,396,000
June.....	37,396,000	1,911,099	61,023	6,362,492	8,334,614	46,730,614	9,867,614	.....	9,867,614	35,863,000
July.....	36,863,000	1,961,463	219,001	6,731,363	8,962,337	45,825,337	8,077,337	.....	8,067,337	37,758,000
August.....	47,758,000	2,070,193	92,703	1,619,431	3,782,533	41,540,533	3,713,533	.....	3,713,533	37,827,000
September.....	37,827,000	2,641,913	121,313	3,873,633	6,639,919	44,469,919	3,035,919	.....	3,045,919	41,351,000
October.....	41,351,000	2,337,233	256,676	3,532,545	6,126,519	47,507,519	6,707,519	.....	6,707,519	40,800,000
November.....	40,800,000	2,651,211	109,703	3,532,382	4,566,251	45,366,251	6,213,251	.....	6,213,251	39,153,000
December.....	39,153,000	1,435,637	73,316	3,976,169	5,490,112	44,643,112	3,673,112	.....	3,673,112	40,971,000
Year 1862.....	29,030,000	25,079,737	1,390,277	43,907,957	71,373,021	100,408,021	59,437,021	.....	59,437,021	40,971,000

1861.

Months, etc.	Treasure in banks and Sub-Treasury on list of month.	Received from California.	Imported from foreign ports.	From inland sources & hoards.	Aggregate accessions.	Total supply of treasure for month, etc.	Exported to foreign ports.	Returned inland and to hoards.	Treasure withdrawn from market	Treas. in banks and Sub-Treasury on list of month.
January.....	\$30,100,000	\$4,135,105	\$7,269,239	.....	\$11,447,334	\$41,547,334	\$53,894	\$1,433,440	\$1,542,334	\$40,000,000
February.....	40,000,000	3,622,893	2,374,097	.....	5,896,990	45,896,990	1,102,926	94,034	1,196,960	44,700,000
March.....	44,700,000	2,370,897	5,546,406	.....	7,917,303	52,617,303	301,303	15,501	317,303	52,300,000
April.....	52,300,000	2,951,253	1,953,001	.....	4,904,254	57,204,254	1,412,674	3,391,530	4,804,254	52,400,000
May.....	52,400,000	1,977,827	3,436,512	.....	5,414,339	57,818,339	123,900	126,739	274,639	57,600,000
June.....	57,600,000	2,012,063	5,337,153	.....	7,349,215	64,959,215	244,243	9,054,973	9,299,215	55,700,000
July.....	55,700,000	2,055,363	6,996,493	.....	9,051,856	65,151,856	11,030	3,240,846	3,251,876	61,900,000
August.....	61,900,000	4,215,755	1,049,553	.....	5,265,307	67,155,307	3,600	8,891,707	8,905,307	58,300,000
September.....	58,300,000	2,515,943	1,231,013	.....	4,746,956	63,046,956	15,756	8,530,499	8,546,255	53,800,000
October.....	53,800,000	2,930,515	639,333	.....	3,569,848	57,356,848	15,033	6,305,105	6,380,143	51,900,000

November.....	51,100,000	2,681,848	100,525	8,403,167	54,509,167	49,885	741,789	798,167	53,800,000
December.....	51,400,000	2,681,848	81,530	8,012,010	50,112,010	60,013	96,919,106	97,812,010	20,120,000
Year 1861.....	30,100,000	24,485,910	27,058,413	71,574,308	101,674,308	4,284,860	08,408,113	72,644,308	29,030,000
1860.									
January.....	26,500,000	8,648,844	928,030	83,871,804	90,461,804	8853,563	8308,888	81,161,804	29,800,000
February.....	29,800,000	8,252,708	105,175	2,447,883	32,747,883	977,000	870,874	1,847,883	31,400,000
March.....	31,400,000	2,404,550	85,004	2,981,003	32,881,003	2,381,663	.....	2,381,003	31,000,000
April.....	31,000,000	2,601,548	49,186	2,650,784	32,650,784	2,965,500	155,284	3,120,784	30,530,000
May.....	30,530,000	2,762,094	90,000	5,429,986	35,959,986	5,559,920	.....	5,559,986	30,400,000
June.....	30,400,000	2,927,928	38,272	5,942,080	36,342,080	8,842,080	.....	8,842,080	27,500,000
July.....	27,500,000	2,218,174	64,851	6,063,985	33,503,985	6,563,985	.....	6,563,985	27,000,000
August.....	27,000,000	2,790,898	140,780	2,954,815	29,954,815	7,451,815	.....	7,454,815	22,500,000
September.....	22,500,000	2,928,881	255,635	5,058,734	28,158,734	2,784,734	.....	8,758,734	24,400,000
October.....	24,400,000	2,678,886	1,083,838	4,606,895	29,006,895	2,106,895	.....	2,106,895	26,900,000
November.....	26,900,000	3,240,630	440,798	3,687,428	30,587,428	525,091	9,062,887	9,587,428	21,000,000
December.....	21,000,000	4,180,851	6,174,041	10,304,892	31,804,892	202,401	1,002,491	1,204,892	30,100,000
Year 1860.....	26,590,000	34,589,271	8,852,880	54,595,459	83,185,459	42,191,171	10,894,288	53,085,459	30,100,000

January.....	32,233,000	32,597,018	871,308	2,638,331	34,891,321	32,805,638	3285,638	32,571,321	32,320,000
February.....	32,820,000	2,607,890	92,200	4,911,427	37,281,427	2,871,427	.....	2,871,427	34,860,000
March.....	34,860,000	1,966,414	81,666	2,103,677	36,963,677	3,243,677	.....	3,343,677	33,620,000
April.....	33,620,000	2,127,563	272,441	6,089,167	39,659,167	6,259,167	.....	6,259,167	33,400,000
May.....	33,400,000	3,418,784	132,436	10,891,632	44,291,632	11,421,032	.....	11,421,032	32,870,000
June.....	32,870,000	3,555,315	485,892	4,041,107	36,911,107	7,496,981	504,126	8,001,107	28,910,000
July.....	28,910,000	2,881,861	175,139	9,871,019	38,281,019	10,051,019	.....	10,051,019	28,230,000
August.....	28,230,000	3,943,606	348,419	4,335,025	32,565,025	6,409,783	255,949	6,765,025	25,700,000
September.....	25,800,000	4,088,389	184,553	8,797,681	34,597,681	8,267,681	.....	8,267,681	26,320,000
October.....	26,320,000	3,805,894	630,146	4,438,540	30,768,540	5,344,159	1,112,881	6,456,540	24,310,000
November.....	24,310,000	3,289,449	167,087	6,193,128	30,503,128	4,382,128	.....	4,382,128	26,120,000
December.....	26,120,000	3,277,663	184,634	3,462,297	29,582,297	2,062,129	930,168	2,992,297	26,590,000
Year 1869.....	32,233,000	39,592,730	2,816,431	67,940,416	99,473,416	69,715,806	3,167,550	72,883,416	26,590,000

1863.....	39,623,823	32,944,235	87,083,989	849,376,473	8190,030,593	870,241,396	823,408,646	891,250,042	895,780,483
1867.....	30,175,458	2,813,399	8,309,339	41,493,874	163,370,087	61,801,953	11,944,306	63,746,259	90,623,828
1866.....	51,637,754	41,131,721	9,574,079	61,534,022	146,174,761	62,568,700	18,435,673	73,999,273	90,154,478
1865.....	30,054,450	21,531,786	22,187,011	37,532,811	91,255,558	30,003,683	7,620,901	37,624,584	53,690,974
1864.....	37,992,534	12,307,803	2,265,523	30,291,231	83,457,030	50,803,123	2,599,506	53,402,630	30,054,450
1863.....	40,971,000	12,207,320	1,523,279	33,040,001	87,746,590	49,754,856	.....	49,754,056	37,992,534
1862.....	29,030,000	25,079,787	1,390,277	43,907,957	100,408,021	69,437,021	.....	59,437,021	40,971,000
1861.....	30,100,000	34,435,949	87,083,418	71,574,352	101,674,362	4,236,250	68,408,112	72,644,362	19,030,000
1860.....	26,590,000	34,589,271	8,852,880	54,595,459	83,185,457	42,191,171	10,894,288	53,085,459	30,100,000
1859.....	32,233,000	39,592,730	2,816,431	67,940,416	99,473,416	69,715,806	3,167,550	72,883,416	26,590,000

Recapitulation.

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st of December, 1868, and 1st of January, 1869 :

DEBT BEARING COIN INTEREST.

	December 1.	January 1, '69.	Increase.	Decrease.
5 per cent. bonds.....	\$221,588,400 00	\$221,589,800 00	\$90 00	\$.....
6 " 1881.....	283,677,800 00	283,677,400 00	100 00	.....
6 " (5-20's).....	1,602,570,400 00	1,602,563,650 00	.....	1,750 00
Total.....	2,107,836,100 00	2,107,823,850 00	.....	750 00

DEBT BEARING CURRENCY INTEREST.

6 per ct. (RR.) bonds.....	\$44,337,000 00	\$50,097,000 00	\$5,760,000 00	\$.....
3 p. cent. certificates.....	58,140,000 00	55,865,000 00	.....	2,275,000 00
Navy Pen. F'd 3 p.c.....	14,000,000 00	14,000,000 00	.....	.....
Total.....	116,477,000 00	119,962,000 00	3,485,000 00	\$.....

MATURED DEBT NOT PRESENTED FOR PAYMENT.

7-30's due Aug. 15, '67, J'e & J'y 15, '68	\$2,478,450 00	\$2,174,900 00	\$.....	\$303,550 00
3 p.c. comp. int. notes mat'd June 10, July 15, Aug. 15 Oct. 15, Dec. 15, 1867, May 15, Aug. 1, Sept. 1 & 15, and Oct. 1 & 16, 1868.....	4,924,920 00	3,878,290 00	.....	346,630 00
B'ds of Texas ind'ty.....	256,000 00	256,000 00	.....	.....
Treasury notes (old).....	149,351 64	148,561 64	.....	800 00
B'ds of Apr. 15, 1842, Jan. 28, 1847 & Mar. 31, 1848.....	483,500 00	349,950 00	.....	85,550 00
Treas. n s of Ma. 3, 63.....	445,492 00	445,492 00	.....	.....
Temporary loan.....	243,160 00	197,810 00	.....	45,350 00
Certif. of indebt'ess.....	13,000 00	13,000 00	.....	.....
Total.....	8,245,983 64	7,463,508 64	\$.....	\$782,380 00

DEBT BEARING NO INTEREST.

United States notes.....	\$356,021,073 00	\$356,021,073 00	\$.....	\$.....
Fractional currency.....	83,875,268 17	84,215,715 64	340,447 47	.....
Gold cert. of deposit.....	23,255,840 00	27,036,020 00	3,780,180 00	.....
Total.....	413,152,181 17	417,272,808 64	4,120,627 47	\$.....

RECAPITULATION.

Bearing coin interest.....	\$2,107,836,100 00	\$2,107,823,850 00	\$.....	\$750 00
Bearing cur'y interest.....	116,477,000 00	119,962,000 00	3,485,000 00	.....
Matured debt.....	8,245,983 64	7,463,508 64	.....	782,380 00
Bearing no interest.....	413,152,181 17	417,272,808 64	4,120,627 47	.....
Aggregate.....	2,645,711,164 81	2,652,533,562 26	6,822,497 47	.....
Coin & cur. in Treas.....	106,679,320 67	111,826,461 03	5,147,140 36	.....
Debt less coin and currency.....	2,539,031,844 14	2,540,707,201 23	1,675,357 11	.....

The following statement shows the amount of coin and currency separately at the dates in the foregoing table :

COIN AND CURRENCY IN TREASURY.

Coin.....	\$98,421,371 54	\$98,763,368 91	\$10,337,994 37	\$.....
Currency.....	18,252,916 13	13,063,092 12	.....	5,190,854 01
Total coin & currency.....	106,679,320 67	111,826,461 03	5,147,140 36	.....

The annual interest payable on the debt, as existing December 1, 1868, and January 1, 1869, exclusive of interest on the compound interest notes), compares as follows :

ANNUAL INTEREST PAYABLE ON PUBLIC DEBT.

	December 1.	January 1.	Increase.	Decrease.
Coin—5 per cents.....	\$11,079,420 00	\$11,079,463 00	\$43 00	\$.....
" 6 " 1881.....	17,020,648 00	17,020,644 00	6 00	.....
" 6 " (5-20's).....	96,154,224 00	96,154,119 00	.....	105 00
Total coin interest.....	\$124,254,282 00	\$124,254,226 00	\$.....	\$54 00
Currency 6 per cents.....	\$2,644,220 00	\$2,005,620 00	\$638,600 00	.....
" 3 ".....	2,164,200 00	2,001,960 00	.....	68,240 00
Total currency inter't.....	\$4,808,420 00	\$5,101,770 00	\$277,350 00	\$.....

SENATOR MORTON'S FINANCE BILL.

Senator Morton introduced the following important bill on finances in the Senate on the 14th instant, embodying his views with reference to the resumption of specie payments. The following is the bill in full :

A BILL to provide for the Redemption in Coin of the United States Notes and Fractional Currency, and requiring the National Banks to Redeem their Notes in Coin Be it enacted by the Senate and House of Representatives of the United States in Congress assembled :

SECTION 1. That hereafter there shall be no sales of gold belonging to the Treasury of the United States, and that the surplus gold now in the Treasury, and that which may hereafter accrue, over and above the amount required to pay the interest on the public debt, and for other specific uses specified by law, shall be reserved and set apart for the redemption of United States notes and fractional currency.

SEC. 2. Be it further enacted, That on and after the 1st day of July, 1870, the Treasury of the United States shall pay in coin at the Treasury of the United States, at Washington, and at such other points as may be designated by the Secretary of the Treasury, all United States notes and fractional currency that may be presented for redemption.

SEC. 3. That on and after the 1st day of January, 1872, the national banks shall pay in coin such of their notes as may be presented for redemption, and shall, on and after the 1st of July, 1870, reserve and hold in their vaults all the coin which may be received by them as interest on their stock held by the government for the redemption of their notes.

SEC. 4. That until the first of Jan., 1872, at which time they are required to begin the redemption of their notes, the national banks shall keep and hold in their vaults the full reserve of legal tender notes as now required by law ; and that on and after that time the reserve legal tender notes, as fast as withdrawn, shall be replaced with coin to a like amount ; and the said banks shall thereafter be required to hold their reserve in coin to a like amount, and for the same purpose as now required by law, to be held in legal tender notes ; provided that the Comptroller of the Currency may, with the assent of the Secretary of the Treasury, allow the said banks to hold a portion of the said reserve, not exceeding two-fifths of the said amount required by law in United States notes.

SEC. 5. That the Secretary of the Treasury may cause as many of the United States notes, redeemed under the provisions of this act, to be cancelled, as may in his judgment be necessary to the proper limitation of the currency ; provided, further, that all fractional currency that may be redeemed shall be cancelled.

DEBT OF VIRGINIA.

A statement of the public debt of Virginia, November 1, 1868, lately published by the Treasurer of Virginia, shows the following : Total old registered and coupon debt, \$12,808,032.

INTEREST FUNDED NOVEMBER 1, 1868.

Dated January 1, 1863: Coupons	\$1,301,500 00	
Registered	1,686,805 77	\$2,987,805 77
Dated January 1, 1867:		
Coupons	\$2,144,500 00	
Sterling	466,250 00	
	\$2,610,750 00	
Registered.....	1,194,435 41	3,805,245 41

NOVEMBER 1, 1868.

Amount of coupons to be funded....	\$263,878 00	\$6,793,051 18
Registered debt to be funded.....	615,228 91	\$873,548 91
James River and Kanawha Co. guarantees yet to be converted.....		230,860 00
Total...		\$1,109,428 91

BONDS GUARANTEED BY STATE, NOV. 1, 1868.

James River and Kanawha Canal Company.....	\$230,890 00
Chesapeake and Ohio Canal.....	500,000 00
City of Petersburg.....	823,500 00
Virginia Central Railroad	100,000 00
Richmond and Danville Railroad.....	200,000 00
City of Wheeling.....	366,000 00
Alexandria Canal.....	15,000 00
Total.....	\$1,735,390 00

COMMERCIAL CHRONICLE AND REVIEW.

Course of Monetary affairs—The Stock Market—Bonds sold at the New York Stock Exchange—Government Securities—Course of Consols and American Securities at London—Highest and Lowest Prices of Railway and Miscellaneous Securities—General Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.

The course of monetary affairs, during December, has been, in some respects, very unusual. The artificial stringency in money during November interfered with the forwarding of produce from the interior, postponing the movement to a period about a month later. The result has been that money has been flowing to Chicago, Cincinnati and other Western cities, until late in December, for moving the hog crop, while at the same time, the high price and the fair receipts of cotton have induced a very active demand for currency from the South, so that the shipments to that section have been much larger than at the same period of last year. Hence the city banks have been parting with large amounts of currency at a time when it usually begins to flow back into their vaults, and at the close of the year they held only \$48,000,000 of legal tenders, against \$ 2,000,000 at the same period of 1867, and \$65,000,000 in 1868. On the 4th of January they were required to make their quarterly statement, and the preparations for that return, under the circumstances indicated, were naturally attended with considerable calling in of loans and a momentary curtailment of loaning facilities. The result of this conjuncture of unfavorable circumstances was to make borrowers almost wholly dependent upon street lenders; who, as usual under such conditions, exacted extravagant rates of interest for several days before the close of the month, call loans ranging from 7 per cent in gold to that rate with a commission of $\frac{1}{2}$ @ $\frac{1}{2}$ per cent. This condition of affairs has added another to the numerous crises growing out of the present system of periodical bank statements and the lack of elasticity in our currency system. These evils, however, have now become so chronic that their regular recurrence scarcely excites remark. The periods at which they occur are indeed welcomed by a class of speculators who make them the occasion of locking up money to promote stock ventures, or turn them to account by exacting usurious rates of interest. Needy borrowers have been driven to every conceivable expedient for raising money. Unable to obtain currency, they have pledged their collaterals against gold, which they have sold, taking the risk of being able to buy it back again at the same price. Some capitalists have loaned their currency upon gold at full legal interest and a heavy commission, and have again loaned the gold so received upon stocks at 7 per cent, thus making 14 per cent and a brokerage charge of $\frac{1}{2}$ @ $\frac{1}{2}$ per cent. Banking arrangements which tend to produce such a condition of things as this, surely call for prompt revision.

The stock market has sympathized less with the stringency of money than might have been expected. Brokers have become accustomed to these periodical crises, and provide against them in anticipation by time loans, so that the only parties to suffer are the smaller holders dependent upon margins, whose sales have comparatively little effect upon prices. The declaration of a special divi-

dead upon N w York Centra^l, putting up the price to 160, and considera-
tions affecting favorably some other leading stocks, have had a tendency to
strengthen the whole market, and some shares have realized unusually high
figures, in spite of the adverse influence of the loan market. The amount of
ordinary transactions in stock^s has been quite limited, but a considerable extent
of business has been done in the way of "turning" stocks—that is selling for
immediate delivery—in order to let money, and buying them in again deliverable
next day, or at the buyer's option. The tota^l sales at both boards, for the
month, were 1,093,730 shares, again st 1,760,721 in December, 1867. The total
transactions for the year at the two boards hav^e been 19,713,402 shares, against
21,271,036 in 1867, showing a material falling off in this branch of speculation.

Classes.	1867.	1868.	Increase.	Dec.
Bank shares	2,411	1,697	.....	476
Railroad "	1,375,917	965,009	.....	310,818
Coal "	7,774	5,757	.....	2,017
Mining "	18,690	15,080	.....	13,550
Improv ^{nt} "	37,463	9,100	.....	28,365
Telegraph "	109,086	24,086	.....	84,850
Steamship "	172,740	41,369	.....	131,371
Expr ^{ss} &c "	16,708	20,902	.....	95,766
Total—December	1,760,721	1,093,730	.....	666,994
" —since January 1	21,271,036	19,713,402	.....	1,557,634

United States bonds have not exhibited the buoyancy that usually character-
izes the market in December. The customary advance just previous to the ma-
turing of the January interest has not occurred; nor has the anticipation of the
large demand in January for the employment of dividends and interest had its
usual effect in stimulating speculative purchases. The stringency of money has
been unfavorable to these movements, while it has prevented the banks and
financial institutions from buying for the employment of their balances during
the ease which usually sets in during January. From these causes prices closed
at near the opening figures of the month. The total transactions of the month,
of all classes of bonds, amount to \$20,060,550, against \$13,549,050 for the same
month of 1867; for the whole year, the sales aggregate \$245,245,240, against
\$206,980,430 in 1867.

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1867.	1868.	Inc.	Dec.
U. S. bonds	\$9,667,400	\$18,882,600	\$4,210,200	\$.....
U. S. notes	84,650	.....	.....	794,650
St ^e & city b ^d s	2,400,500	4,065,750	2,556,250	.....
Company b ^d s	727,500	1,212,200	484,700	.....
Total—December	\$13,549,050	\$20,060,550	\$6,471,500	.....
" —since Jan. 1	206,980,430	245,245,240	\$38,264,810	.....

The daily closing prices of the principal Government securities at the New
York Stock Exchange Board in the month of December, as represented by
the latest sale officially reported, are shown in the following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	—6's, 1861.—		—6's, (5-20 yrs.) Coupon—					—5's, 10-4'	
	Coup.	Reg.	1862.	1863	1865, new	1867.	1868.	vs	C'pn.
1.....	.....	.....	110%	107%	107%	110	110%	110%	106%
2.....	114%	110%	110%	.....	107%	110%	110%	110%	105%
3.....	114%	110%	111%	107%	107%	110%	110%	111	106%
4.....	115	.....	111%	107%	108%	110%	110%	.....	.....
5.....	.....	110%	110%	107%	.....	110%	110%	.....	105%
6.....	.....	.....	111%	107%	108%	110%	110%	110%	106%
7.....	.....	.....	111	.....	108%	110%	110%	.....	106%
8.....	.....	.....	111%	.....	108%	110%	110%	.....	106%
9.....	114%	110	111%	107%	107%	110%	110%	110%	105%

Day of month.	5's, 1881.		5's, (200 yrs.) Coupon					5's, 1884.	
	Coup.	Reg.	1882.	1884.	1885.	new.	1887.	1889.	5's, 1884.
10.....	114%	.....	111	107	108	110%	110%	110%	105%
11.....	.....	.....	110%	107	107%	110%	110%	.....	.....
12.....	.....	100%	110%	107	107%	110	110%	110%	105%
13.....	.....	.....	110%	107	107%	110	100%	110%	105%
14.....	114%	.....	110%	.....	107%	.....	110%	110%	105%
15.....	114%	109%	110%	107%	107%	110%	110%	.....	105%
16.....	114%	109%	110%	106%	107%	.....	110	110%	105%
17.....	114%	.....	110%	106%	.....	109%	109%	110	.....
18.....	114%	10%	110%	106%	107%	100%	100%	110%	105%
19.....	114%	.....	110%	106%	.....	110%	110%	110%	105%
20.....	114%	.....	110%	106%	107%	.....	110%	11%	105%
21.....	114%	.....	110%	106%	.....	110%	110%	110%	105%
22.....	114%	.....	110	106%	107%	109%	110	120%	105%
23.....	.....	109	110%	.....	.....	109%	100%	.....	105%
24.....	.....	108%	110%	.....	107%	110%	110%	.....	105%
25.....	114%	109	110%	106%	108	110%	111	111%	105%
26.....	114%	.....	110%	107	107%	110%	11%	111	105%
27.....	114%	.....	110%	.....	.....	110%	111%	111%	105%
28.....	.....	109	110%	107%	.....	110%	111%	111%	.....
First.....	114%	110%	110%	107%	107%	110	110%	110%	105%
Lowest.....	114%	108%	110	106%	107%	109%	109%	110	105
Highest.....	115	110%	111%	107%	108%	110%	111%	111%	105%
Range.....	%	1%	1%	1%	1	1%	1%	1%	%
Last.....	114%	109	110%	107%	107%	110%	110%	111%	105%

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

The closing prices of Five-Twenties at Frankfurt in each week ending with Friday, were as follows :

Dec. 4.	Dec. 11	Dec. 18.	Dec. 25.	Month.
79% @ 79%	78%	78%	Christmas	79% @ 79%

The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities quoted at the New York Stock Exchange during the months of November and December, 1888 :

	November				December			
	Open.	High.	L. w.	Clos.	Open.	High.	Low.	Clos.
Railroad Stocks—								
Alton & Terre Haute, pref.....	60	61	60	61	61	61	60%	61
Boston, Hartford & Erie.....	97%	97%	97%	97%	96	96	96	96
Chicago & Alton.....	151	151	151	147	146	147	146	147
do do pref.....	150	150	150	147	146%	146%	146%	146
Chicago, Burl. & Quincy.....	170	170	169	170	171	175	170	173
do & St. Eastern.....	.....	.....	.....	.....	.....	.....	.....	.....
do & Northwest.....	90%	90%	73	68	68	86%	74%	81
do do pref.....	91	91%	77%	87%	97%	88%	75%	81%
do & Rock Island.....	104%	109%	101	108%	107%	118	105%	116
Clev., Col., Cin. & Ind.....	78	78	75	78%	77	77	74%	74%
Columb., Chic. & Ind. O.....	.....	.....	.....	85%	41	85%	41	.....
do & Pittsburgh.....	87	89%	81%	88%	87%	89%	89	84
do & Toledo.....	104	108	93	100%	100%	108%	94%	101
Del., Lack. & Western.....	130	130	130	129%	131	131	126	126

Dubuque & Sioux city .....	.....	.....	.....	97	97	97	97
do do pref.....	.....	.....	.....	96	96	96	96
.....	40	54	85½	40	89½	41	87½
do pref.....	65	63	59	60	60	65	60
Harlem .....	.....	.....	.....	125	128	120	125
do pref.....	.....	.....	.....	120½	120½	12½	120½
Hannibal & St. Joseph	90	90	90	90	90	91	90
do do pref.....	99	92½	86	92½	92½	93½	90
Hudson River	187½	138	120	181	183	185½	124½
do do scrip.....	90	90	90	90	93	98	90
Illinois Central	144	144	141	143½	144	144½	140
Ind. & Cin innatd .....	.....	.....	.....	.....	.....	.....	.....
Joliet & Chicago.....	95	95	95	15	.....	.....	.....
Long Island.....	.....	.....	.....	.....	.....	.....	.....
Lake Shore	99½	100	96	100	100	101	95
Mar. & Cincin., 1st pref....	25	25	25	25	25	25	22½
Michigan Central	116	118	111	117½	118½	129	115
do S. & N. Ind.	85	90	80	89½	88½	89½	84½
Milwaukee & St. Paul.....	95	97½	61	70½	70½	70½	63
do do pref....	96½	98½	76	88½	89	89	81½
Morris & Essex.....	.....	.....	.....	90	95	85	87
New Jersey	184	184	181½	183	133½	183½	182½
do Central.....	120½	121	116	116	115	117	110½
New York Central.....	125½	129½	115	129½	128½	159½	123½
do & N. Haven.....	143	143	140	141	140	140	140
Norwich & Worcester.....	90	90	90	90	91	91	91
Oil Creek & Alleghany.....	.....	.....	.....	80	80½	80	80
Ohio & Mississippi	80½	81½	28½	81½	81½	84½	29½
do do pref.....	79	79	79	79	.....	.....	.....
Panama	830	830	830	830	830	840	827½
Pittsb., Ft. W. & Chica.....	112½	113½	105½	111½	111½	114	109
Reading	97½	99½	93	99½	98½	98½	96½
Rensselaer & Saratogo.....	.....	.....	.....	93	93	93	93
Rome & Watertown.....	114	114	114	114	118	115	118
Stonington.....	85	85	85	85	83	83	83
Toledo, Wab. & Western.....	61½	63	54	58½	58	59	53½
do do do pref.....	73½	73½	70	71½	70½	70½	70
Miscellaneous—							
Cumberland Coal	85	41	84	40½	39½	39½	36
Del. & Hud. Canal Coal.....	130	128½	127	133½	131	134	130
Pennsylvania Coal.....	220	220	220	220	.....	.....	.....
Spring Mountain Coal.....	.....	.....	.....	.....	.....	.....	.....
Atlantic Mail.....	.....	.....	.....	21	21	21	21
Pacific Mail	124½	124½	112½	118½	118	120½	111½
Boston Water Power	15½	15½	14½	15½	15	14½	13½
Canton	47	51½	45½	51	50½	50½	47½
Brunswick City.....	13	13	11	11	.....	.....	.....
Mariposa	6½	6½	6	6	5½	5½	4½
do pref.....	22½	22½	18½	21½	21	21½	19
Quicksilver.....	23½	23	20	23½	23½	23½	20½
Manhattan Gas.....	225	225	225	225	230	230	230
West. Union Telegraph.....	86	87½	83½	87	86½	87½	83
Bankers & Brokers As .....	.....	.....	.....	100	100	100	100
Express—							
American.....	45	49	41	43	45	46	43
American M. Union.....	.....	.....	.....	43	43	43	43
Adams	49½	50	46	50	50	50	48
United States.....	48	50	44½	50	46	46½	45
Merchant's Union	21½	21½	15½	21½	18½	18½	14½
Wells, Fargo & Co.....	28½	29½	25	27	26	26½	25

The following formula will show the movement of coin and bullion during the month of December, 1867 and 1868, respectively :

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK.

	1867.	1868.	Increase.	Decrease
In banks, near first	\$16,572,890	\$17,644,264	\$1,071,374	\$.....
Receipts from California.....	3,298,163	784,019	.....	2,504,143
Imports of coin and bullion.....	123,917	496,019	372,102	.....
Coin interest paid.....	1,433,733	2,539,900	1,101,147	.....
Redemption of loan of 1847-'48 .....	.....	48,550	48,550	.....
Total reported supply.....	\$21,423,723	\$21,512,752	\$89,029	\$.....
Exports of coin and bullion.....	\$6,248,878	\$1,234,584	.....	\$5,009,294
Customs duties	5,448,244	6,557,578	1,109,334	.....
Total withdrawn	\$12,292,123	\$7,792,157	\$.....	\$4,499,965
Excess of reported supply.....	\$9,131,600	\$13,720,595	\$4,588,995	\$.....
Specie in banks at end.....	10,971,969	17,940,865	6,968,896	.....
Derived from unreported sources.....	\$1,840,369	\$4,220,370	\$2,379,901	\$.....

The gold premium has been on the whole steady, the price having ranged between 134½ and 136½, the highest figures having been reached under the early apprehensions of trouble arising out of the Eastern complications. During the same month of 1867 the price ranged between 132½ and 137½. The tone of the market has been decidedly strong, which alone has prevented the scarcity of money from breaking down the premium. For several days next preceding the close of the month, holders of gold have had to pay from 1-16 to ¼ per cent per day for having it carried. The exports of coin during the month have been only \$1,234,000, against \$6,843,000 for the same period of last year, and there is consequently a correspondingly large supply of gold upon the market.

The following exhibits the fluctuations of the New York gold market in the month of December, 1868:

COURSE OF GOLD AT NEW YORK.

The following exhibits the quotations at New York for bankers 60 days bills on the principal European markets daily in the month of December, 1868:

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for	Berlin. cents for
1.....		517½ @ 516½				
2.....		517½ @ 516½				
3.....		517½ @ 516½				
4.....		518½ @ 517½				
5.....		517½ @ 516½				
6.....		517½ @ 516½				
7.....		516½ @ 516½				
8.....		516½ @ 516½				
9.....		516½ @ 516½				
10.....		517½ @ 516½				
11.....		516½ @ 515				
12.....		516½ @ 515				
13.....		516½ @ 515				
14.....		516½ @ 515				
15.....		516½ @ 515				
16.....		516½ @ 515				
17.....		516½ @ 515				
18.....		517½ @ 516½				
19.....		517½ @ 516½				
20.....		516½ @ 515				
21.....		515 @ 513½				
22.....		515 @ 513½				
23.....		517½ @ 516½				
24.....		517½ @ 516½				
25.....						
26.....	109½ @ 109½	517½ @ 516½			86 @ 86½	71½ @ 71½
27.....	109½ @ 109½	517½ @ 516½			86 @ 86½	71½ @ 71½
28.....	109½ @ 109½	517½ @ 516½			86 @ 86½	71½ @ 71½
29.....	109½ @ 109½	517½ @ 516½			86 @ 86½	71½ @ 71½
30.....	109½ @ 109½	516½ @ 515			86½ @ 86½	71½ @ 71½
31.....	109½ @ 109½	516½ @ 515			86½ @ 86½	71½ @ 71½
Dec., 1868.....	109 @ 109½	518½ @ 518½	41 @ 41½	78½ @ 78½	86 @ 86½	71½ @ 71½
Dec., 1867.....	109½ @ 110½	517½ @ 518½	40½ @ 41½	78½ @ 79½	85½ @ 86½	71½ @ 72½

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.						
Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.	Ag. clear'gs.
January 4...	\$249,741,297	\$12,724,614	\$34,134,391	\$187,070,786	\$62,111,201	\$483,266,304
January 11.	251,170,723	19,222,856	34,004,137	194,835,525	64,753,116	553,854,525
January 18 ..	256,033,938	23,191,867	34,071,008	205,883,143	66,155,241	619,797,369
January 25 ...	259,392,101	25,106,800	34,027,762	210,093,084	67,154,161	528,503,223
February 1...	266,415,613	23,955,320	44,062,521	213,330,524	65,197,153	637,449,928
February 8...	270,555,356	23,823,372	34,096,834	217,844,518	55,846,259	597,242,595
February 15 ..	271,015,970	24,192,935	34,043,296	216,759,523	63,471,762	550,521,185
February 21...	267,763,643	22,513,997	34,100,023	209,095,351	60,868,920	452,421,592
February 29 ..	267,240,678	22,091,642	34,062,223	208,651,578	58,553,607	705,109,784
March 7.....	269,156,636	20,714,233	34,153,957	207,737,080	57,017,044	619,219,593
March 14.....	266,616,074	19,744,701	34,218,381	201,188,470	54,738,866	621,277,641
March 21.....	261,476,900	17,944,308	34,212,571	191,191,526	52,261,086	649,482,341
March 28 ..	257,378,247	17,323,367	34,190,308	186,525,128	52,123,078	557,843,908
April 4.....	254,287,891	17,077,299	34,227,108	280,950,846	51,709,706	567,783,138
April 11.....	252,936,725	16,343,150	34,194,272	179,851,880	51,982,609	493,371,451
April 18.....	254,817,936	16,776,542	34,213,581	181,832,523	50,333,660	623,712,923
April 25.	252,314,617	14,943,547	34,227,624	180,307,439	53,866,757	62,784,154
May 2	257,623,672	16,166,373	34,114,843	191,206,135	57,863,599	588,717,322
May 9.....	265,765,883	21,286,910	34,205,409	199,276,568	57,541,227	517,028,567
May 16.....	267,724,783	20,939,142	34,193,249	201,313,305	57,618,095	480,186,903
May 23.....	267,381,279	20,479,947	34,183,638	202,507,550	62,223,002	488,735,142
May 30.....	268,117,490	17,861,083	34,145,606	204,746,964	65,633,964	602,118,24
June 6.....	273,792,767	14,323,531	34,188,159	209,089,635	68,822,023	640,663,329
June 13.....	275,142,024	11,193,631	34,166,846	210,670,765	69,202,840	530,828,197
June 20	274,117,018	9,124,630	34,119,120	211,484,387	72,567,582	553,933,817
June 27.....	276,504,36	7,753,300	34,048,721	214,302,207	73,853,303	516,726,075
July 3.....	281,943,931	11,954,730	34,032,466	221,050,806	72,125,939	525,646,693
July 11	281,147,708	19,235,348	34,068,202	224,320,141	68,531,542	591,756,345
July 18.....	282,912,490	20,399,031	34,004,111	223,180,749	71,847,545	505,462,444
July 25.....	280,845,255	20,804,101	33,963,373	226,761,662	72,235,533	487,169,337
August 1	279,811,637	20,502,737	33,957,305	223,101,867	73,638,161	409,31,169
August 8	279,705,786	24,784,427	31,074,374	231,716,492	74,051,548	587,004,381
August 15	277,808,620	22,933,551	34,144,087	223,561,087	72,955,481	482,533,952
August 22	275,845,781	19,768,681	34,137,627	216,435,405	69,757,645	610,308,551
August 29	271,780,726	16,949,103	34,112,139	210,334,646	67,757,376	480,785,665
September 5 ..	271,830,696	16,815,778	34,170,419	207,654,341	65,933,773	470,036,175
September 12.	272,055,690	16,150,942	34,139,926	205,469,070	63,429,337	493,191,072
September 19.	271,251,096	14,665,742	34,044,693	202,324,533	63,772,700	518,471,552
September 26.	271,273,544	12,403,483	34,050,771	202,068,334	63,587,576	620,103,094
October 3....	269,533,363	11,757,895	34,154,806	194,919,177	60,210,447	747,618,516
October 10....	265,595,582	9,346,097	34,183,103	189,053,997	60,005,086	657,958,155
October 17 ...	264,644,135	9,186,620	34,213,918	188,680,586	58,626,857	635,516,454
October 24....	263,579,133	9,553,588	34,193,933	186,051,847	56,711,434	850,584,443
October 31....	262,365,569	10,620,526	34,233,210	181,948,547	51,590,918	809,452,542
November 7..	256,612,191	16,446,741	34,853,637	175,556,718	47,167,207	876,571,604
November 14 ..	249,119,539	16,155,08	34,349,514	175,160,589	51,466,693	807,806,543
November 21..	251,041,063	17,333,153	34,195,068	184,110,340	63,599,944	863,111,990
November 28..	254,386,057	15,786,777	34,284,563	187,418,825	62,447,206	512,952,800
December 5...	239,491,705	17,644,263	34,54,759	189,843,817	59,492,476	635,133,390
December 12..	263,360,144	19,14,778	34,205,906	183,337,415	54,015,665	585,038,469
December 19 ..	262,434,180	18,442,584	34,353,753	183,077,223	50,796,133	611,108,133
December 26..	261,342,530	17,940,805	34,337,114	178,503,752	48,706,163	621,929,203

PHILADELPHIA BANK RETURNS.					
Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 4.....	\$6,782,432	\$52,002,304	\$235,912	\$10,639,000	\$36,621,274
January 11.....	16,037,995	52,533,707	400,615	10,639,096	37,131,830
January 18.....	16,827,423	53,013,196	320,973	10,641,752	37,457,089
January 25.....	16,836,937	52,325,599	279,393	10,645,226	37,312,540
February 1.....	17,064,184	52,604,916	243,673	10,638,927	37,922,287
February 8.....	17,063,716	52,672,443	287,878	10,635,926	37,396,653
February 15...	16,949,944	52,532,446	263,157	10,663,323	37,010,520
February 22...	17,573,149	52,423,166	204,929	10,632,495	36,453,464
February 29...	17,877,877	52,459,757	211,365	10,634,484	35,798,314
March 7.....	17,157,954	53,081,665	222,180	10,633,718	34,826,861
March 14.....	16,662,299	53,367,611	251,051	10,631,399	34,523,550
March 21.....	15,664,946	53,677,337	229,518	10,643,613	33,836,996
March 28.....	14,348,391	53,450,873	192,858	10,643,606	32,428,390
April 4.....	13,208,625	52,209,234	215,835	10,642,670	31,778,119
April 11.....	14,194,335	52,256,949	250,240	10,640,932	32,255,671
April 20.....	14,493,387	52,989,780	222,229	10,640,479	32,930,953
April 27 ..	14,951,106	52,312,623	204,899	10,640,312	34,767,290
May 4.....	14,990,833	52,333,740	314,366	10,631,044	35,109,937
May 11.....	15,166,017	53,771,79	397,778	10,620,055	36,017,596

Date.	res.	Trans.	Specia.	Deposits.
May 15.....			2-2,625	25,039,063
May 25.....			230,809	25,000,197
June 1.....			229,371	25,574,457
June 8.....			226,581	42,910,429
June 15.....			175,303	42,016,262
June 22.....			182,711	42,943,542
June 29.....			192,553	42,955,629
July 6.....			242,206	44,834,226
July 13.....			182,524	45,155,620
July 20.....			182,208	45,637,175
July 27.....			186,898	45,552,220
August 3.....			187,351	47,205,667
August 10.....			184,007	46,047,719
August 17.....			192,530	46,625,377
August 24.....			185,186	46,965,616
August 31.....			181,248	46,063,150
September 7.....			222,200	46,179,100
September 14.....			204,053	44,730,222
September 21.....			197,907	42,955,621
September 28.....			224,552	44,227,127
October 5.....			195,690	42,525,779
October 12.....			161,229	42,712,622
October 19.....			200,523	42,675,626
October 26.....			172,595	41,693,661
November 2.....			222,901	41,107,466
November 9.....			217,221	29,342,970
November 16.....			225,072	28,377,227
November 23.....			203,754	27,732,444
November 30.....			242,154	28,176,900
December 7.....			243,402	28,174,225
December 14.....			223,092	28,054,087
December 21.....			241,043	28,222,626
December 28.....			224,043	27,721,724

BOSTON BAI
(Capital Jan. 1,

Date.	Specia.	deits.	Circulation	
			National.	State.
March 2.....	622,322	14,226	24,573,039	215,214
March 9.....	667,174	10,418	24,667,709	210,162
March 16.....	918,425	15,514	25,022,412	197,720
March 23.....	798,006	12,546	25,094,253	197,229
March 30.....	685,084	14,640	24,962,417	197,079
April 6.....	721,540	16,157	25,173,194	198,022
April 13.....	673,487	12,929	24,212,014	197,012
April 20.....	605,496	7,690	24,261,053	196,900
April 27.....	577,163	19,946	25,221,975	164,831
May 4.....	615,409	15,403	25,202,734	160,265
May 11.....	1,122,623	16,716	25,225,173	165,249
May 18.....	1,122,621	14,742	25,224,465	160,241
May 25.....	1,018,809	16,142	25,210,660	190,151
June 1.....	766,553	1,569	25,204,929	159,620
June 8.....	681,149	15,276	25,194,114	159,312
June 15.....	661,990	15,708	25,190,565	159,150
June 22.....	476,422	3,871	25,197,317	158,908
June 29.....	426,699	15,216	25,182,920	158,612
July 6.....	1,617,633	2,654	25,214,100	144,669
July 13.....	1,193,529	6,765	25,216,184	141,523
July 20.....	1,521,223	5,200	25,216,717	125,729
July 27.....	795,641	0,694	25,254,908	142,459
August 3.....	722,254	9,222	25,016,492	.....
August 10.....	684,998	2,222	25,197,184	.....
August 17.....	624,696	2,201	25,182,659	.....
August 24.....	779,112	0,022	25,214,516	.....
August 31.....	717,819	4,607	25,190,091	.....
September 7.....	823,062	0,745	25,185,064	.....
September 14.....	743,714	0,820	25,182,876	.....
September 21.....	642,792	2,159	25,184,042	.....
September 28.....	642,899	11,022,447	25,127,059	25,150,081
October 5.....	618,422	12,973,894	25,215,453	25,142,517
October 12.....	605,805	12,891,864	25,201,454	25,222,789
October 19.....	601,008	12,006,529	25,224,244	25,257,025
October 26.....	481,755	11,915,723	27,972,897	25,168,348
November 2.....	722,220	11,701,807	27,740,894	25,245,470
November 9.....	1,222,761	11,120,415	27,222,519	25,227,919
November 16.....	1,242,185	10,961,899	24,970,222	25,220,279
November 23.....	1,193,093	10,931,223	25,114,217	25,201,845
November 30.....	1,080,227	11,122,426	24,115,167	25,222,412
December 7.....	922,511	10,469,112	27,221,972	25,222,409
December 14.....	912,610	11,821,575	27,222,164	25,222,777
December 21.....	822,521	12,422,520	27,222,021	25,109,512
December 28.....	722,229	12,510,902	24,727,202	25,122,229

T H E

M E R C H A N T S ' M A G A Z I N E

A N D

C O M M E R C I A L R E V I E W

F E B R U A R Y , 1 8 6 9 .

**NORFOLK AND NEW YORK IN PAST TIMES—WHY ONE GREW AND WHY THE
OTHER DID NOT GROW UNTIL NOW**

BY ROBERT W. HUGHES, SECRETARY OF THE CONVENTION.

The Convention just held in the city of Norfolk will constitute an eventful epoch in her commercial history, and be remarkable as dividing a stagnant past from a prosperous future. A day of brilliant promise has dawned upon that city; and one of the most cheering auspices attending its advent has been the assembling of several thousands of intelligent and enterprising citizens from many quarters of the country, to aid in promoting the high destiny to which she aspires.

The occasion naturally suggests a retrospect into that long night of monotony and non-growth which for many years marked the career of Norfolk, and which has been made the subject of constant reproach, not only to herself, but to the Commonwealth of Virginia. It is a task as easy as it is grateful to vindicate both from reflections having their source in ignorance, or prejudiced disregard, of the real causes which have de-

prived them of commercial prosperity, and which have had no reference to the character for industry and enterprise of the people of either.

As indicating the sort of reproach which has been visited upon Virginia, in connection with the non-growth of Norfolk, the following passage is quoted from a recent able letter of an influential citizen of Southern Illinois, the Hon. J. B. Turner, in which he urges the completion of that great work, the James River and Kanawha Canal. The passage is this:

"Norfolk was always the natural outlet of the commerce of the continent; and had it not been blocked up by want of local enterprise, would have assumed that position long ago, instead of New York. But it was for a time blocked up by the peculiar agricultural interests, or supposed interests, of Virginia, while New York dug out and let the commerce of the West and the world in; in other words, New York did what Chicago and the North are now doing; they woke up to the inevitable necessities of trade and commerce. But Virginia did what Southern Illinois is now doing—she went to sleep and dozed over politics and partisan triumph, and office-seeking and President making, and discussed all imaginable two-penny issues on the stump, till her more adroit rival ran away with the trade of the world, and the crack of final doom began to resound about her ears. We trust that she will wake up now, and unite with her Western friends in securing both her own and our mutual interests."

The charge is hackneyed enough. It has been in the mouth of friend and foe for half a century. But the reproach is undeserved. New York has outstripped Norfolk in trade, population and wealth by the operation of causes having no relation to the character of the people of the respective localities.

NEW YORK HAS HAD THREE ERAS OF PROSPERITY; NORFOLK BUT ONE.

The history of Norfolk presents a marked contrast with that of the great Northern seaport. New York has had several eras in its corporate life. It had, first, the colonial or *provincial* era, when it enjoyed no trade except from the narrow region of country between the seaboard and the mountains. It had afterwards the *canal* era, when the great Erie canal, constructed over a route which opposed not a single mountain, nor even a respectable hill, in its entire course, like an exhaustless cornucopia, poured a mighty volume of trade into the lap of the city. And then it had accumulated upon this prosperity from the canal,

" * * * * like another morn,
Risen on mid-noon, * * * * ;"

its era of *railroad* prosperity, when railroads came to be constructed parallel with the canal, to hasten the transit of the more light and valuable commodities of commerce, and to relieve the plethora of superabundant freights which were gorging the canal to congestion.

Norfolk has had but one of these eras; that is to say, the *provincial* era—the era during which she has enjoyed only the trade of the country

east of the mountains. She is but just now passing beyond that pristine stage of her commercial life ; and is making her advent into the *railroad* era, during which she is to enjoy, besides the local trade that has been hers for a long time, the enriching trade from the great region of country beyond the Alleghanies, which will be commanded by her consolidated line of railroad, reaching now with a long and powerful arm to Memphis, and destined soon to reach also, by another and stronger arm, by its right arm, to Louisville and St. Louis. But Norfolk will not have received her full fruition of trade and of prosperity even when this commanding line of railroad, though directed by the genius of Gen. Mahone, shall have done its utmost in her behalf. The full measure of her greatness will not be reached until she, too, like New York, shall have received a mighty volume of Western trade from over the great line of water transit, between West and East, marked by the route of the James river and Kanawha canal. This canal is necessary to the completeness of the railroad system of Virginia. It is needed for carrying bulky minerals and heavy products of agriculture, at rates and in quantities beyond the capacity of railroads ; relieving the railroads of the unprofitable and cumbrous classes of transportation, and giving that volume, quantity and variety to the trade coming to our seaport which are necessary to build it up to the dimensions of a great emporium. And this canal *will* be completed. Ere many years from now the friends of Norfolk will be convoked a second time, not merely to celebrate the success of her railroad system, but to celebrate also her advent into the most important era of her history—into the canal era ; when the favorite and long-cherished water-line of Virginia shall have been carried through the mountains to the Ohio ; and shall, as a second inexhaustible cornucopia, be pouring an unceasing current of trade into the lap of the Virginia seaport.

THE PROVINCIAL PERIOD.

There was a period in the history of the seaboard cities when there was no West ; and when the Alleghany mountains formed the frontier of settlement and agricultural production. During that epoch the seaboard cities, North and South, grew in proportion to the extent and fertility of the country in their rear ; and as Maryland, Virginia, the Carolinas and Georgia were more productive in staples valuable to commerce than the colonies north of them, the cities of Baltimore, Norfolk, Charleston and Savannah enjoyed a greater trade and experienced a larger growth than those on the northern seaboard.

There was another cause which then operated to restrict the growth of all our seaboard cities, to the resources of the country back of them. The navigation laws of the mother country, which were designed to suppress

all commercial enterprise in the colonies, and to confine their industry to agriculture, had the effect of giving more rapid development to Southern cities, having an extensive and productive back country, cultivated by numerous slaves, than to Northern cities, which stood in front of a country incapable of growing the exportable products of agriculture, where the climate was more rigorous, and the number of laborers more restricted. At a time when there was no West; during a period when each city had no country tributary to it but the narrow slope east of the mountains; and while England was enforcing laws hostile to colonial commerce, it was natural that the Southern cities of the seaboard should outstrip Northern cities in a mere provincial prosperity and importance.

But a new class of influences began to operate at the close of the revolutionary war. It is hardly necessary to say that the period of that war was a blank in commerce and commercial growth. Nor did there occur any physical event having the effect to open up to the seaboard cities a wider extent of back country than that lying east of the Appalachian chain, until after the close of the second war with Great Britain. There were political causes, however, which operated, during this period, to the advantage of Northern, and to the disadvantage of Southern cities. For six years after the Revolution the several States were at liberty to provide for their public indebtedness by levying duties upon foreign commerce. The Southern States, and probably all the Northern States, except New York, made use of this expedient, and laid import duties on their foreign trade. But the City of New York remained a free port during all that period, attracting a larger trade; and thus obtained an advantage over other cities, in the infancy of American commerce, which it never lost.

Then occurred the great wars of Europe, in which every one of the Powers was, more or less, constantly involved. Their effect was to make American shipping and American seamen common carriers for the whole world. But the Southern people, who had been exclusively agricultural, for a century before, derived little advantage from this state of affairs. The advantage fell to those portions of the American population which had inhabited regions unfavorable to agriculture, and who had been obliged to depend upon sea-faring occupations for support. It was the fishermen of New England, and the mariners of New Jersey and nether New York who became common carriers, in vessels sailing under the American flag, for the militant nations of Europe. New England especially had been chiefly settled from the Eastern and Southern counties of Old England, from a population that had followed the seas for many generations. It is claimed by the native historians of New England, that the passengers on the Mayflower, and other emigrants who landed at Plymouth, Salem and Boston, came across the ocean for the sentimental purpose of

securing civil and religious freedom; but cotemporaneous history impartially studied, teaches the fact that they came for the sensible and practical object of pursuing their hereditary avocation of catching fish; which they did in the far-famed and inviting waters off Cape Cod and Newfoundland, near which they settled. Even if they had come, however, on a religious, and not on a practical errand, it is certain that they did enter largely into the business of fishing for cod and whale in the waters of the North Atlantic. They thus, in the course of years, became accomplished mariners. They did not confine themselves to the fisheries. They engaged largely in the coasting trade of the Continent and the West Indies; and they extended their enterprise to the shores of Africa, doing an active trade and amassing great capital in the dark business of the "middle passage." Accordingly, when the great wars of Europe broke out, in the first decade of the present century, they were prepared, by education and habits, to enter extensively into the carrying trade of the world, and made large profits by their enterprise; gaining a capital which powerfully stimulated the growth of Boston and New York through all their after history. These two cities were the principal beneficiaries of the impulse thus imparted to the shipping of the Northern States, and the augmentation thus given to their capital by the wars of Napoleon. The agricultural South, however, made no gain from those calamitous conflicts of mankind.

But aside from these maritime circumstances, Boston and New York enjoyed another advantage over Norfolk. Four of the New England States concentrated their trade upon Boston; the rest of New England, and New York and New Jersey combined in supporting New York. But Norfolk failed to command even the undivided trade of Virginia. She failed to do so for causes which were lucidly detailed in 1857 by Gov. Wise, in his well-remembered letter, on direct trade, to M. Lacouture, in the following passages:

"Looking at the map of Virginia, you see the whole Atlantic low-lands watered by the Potomac, the Rappahannock the Piankatank, the rivers of Mobjack Bay, the York, the James, and the Roanoke; streams rising in the great Appalachian chain of mountains, and running a few miles only apart from each other in parallel lines, from West to East, and all of them, except the last, emptying into the grand reservoir of the Chesapeake Bay, which entirely cuts off the main eastern peninsula. Thus all the eastern and first settled part of the territory was found naturally divided into no less than seven distinct peninsulas, separated from each other by eight considerable bodies of navigable waters. Up all these streams the tonnage of Great Britain came and found facilities for shipment everywhere, deep water, wharfage, accessibility to navigation up to the very steps of the Blue Ridge of the Alleghanies.

"This also tended to diffuse population and capital, and prevented the concentration of either at any one point to form a city for purposes of commerce. Every plantation found a landing at its own fields, or near its neighborhood, and but a ship load had to be collected at any one locality; such was the convenience to and from market of the earliest settlements in Eastern Virginia.

"Again, when population moved Westward, it crossed the Blue Ridge mountains

into a rich and beautiful valley, running North and South, which has no natural outlet but at its northern terminus in our limits, and it had to pour its products out of our marts into those of the adjoining State of Maryland, at the head of Chesapeake Bay. And when it crossed the next and parallel ridges of the Alleghanies, it settled upon rivers flowing westward into the great basin of the Mississippi, and had to send its products by the Monongahela, and the Guyandotte, and the two Kanawhas, and the Sandy, to float on the Ohio, to build up Pittsburg and Cincinnati and New Orleans—cities of Pennsylvania, Ohio and Louisiana.

"Thus, by geographical and geological cause, were our people segregated with separate communities, and divided from each other and all mutual commercial dependency."

THE ERIE CANAL ADVANCES NEW YORK INTO HER SECOND ERA OF PROSPERITY.

It is now time to speak of the circumstances which enabled New York soon after the second war with Great Britain, to enter a second epoch in her career, that in which she was enabled to draw to herself a vast trade from the West. This she has been doing forty years, while Norfolk is but just beginning to command trade from that prolific quarter at the eleventh hour.

While much too little attention is given in our schools to the study of geography, none at all is given to that of topography. Mountain ranges are, indeed, laid down, but nothing is taught of those grand features of continents which give rivers their courses, fix the great channels of trade, and determine the industries and the character of populations. Really and practically, the earth's surface is taught to be "flat;" and so gross is the popular ignorance of, or inadvertance to, the topography of our own country, that even now it is the current opinion in the United States that Virginia could, if she had possessed a proper enterprise, have constructed a canal across the numerous ranges which constitute the Alleghany mountains, on the line of the James and Kanawha rivers, where the lowest of several summits to be surmounted is two thousand feet, as expeditiously and as cheaply as New York constructed the Erie canal, across the level country which stretches from the Hudson River, by imperceptible ascent, to the banks of Lake Erie, over levels which never reach the height of the surface of the waters of that lake, except until approaching its banks. What could be more unjust than a popular opinion which assumes that the Switzerland of our continent affords as inviting a field for the construction of canals as its Holland?

It must not be forgotten that, in the infancy of internal improvements on this continent, canals were long deemed the only practicable means of outlet for Western trade; and that railroads were not brought into efficient success until late in the decade of 1830-40. The sequel has proven that railroads may be carried over any degree of elevation; but it would have been a bold engineer who would then have held that canals could be

constructed across the Appalachian chain on any route that might be preferred by commerce.

Yet is a fact that Virginia formed the determination to construct a canal across the mountains in her territory, at about the same time that New York began to make a canal across the level plateau of country which stretches out between the Hudson and Niagara rivers. The task of New York was as easy as that of Virginia was difficult. The surface of Lake Erie is only five hundred and sixty-four feet above tide-water, and, except the elevation forming its eastern shore, is higher than any of the ground between the Lake and the Hudson river. Between the Seneca and the Mohawk rivers, a plateau of country extends for sixty miles, along which not a single lock was required in constructing the canal. Nothing was needed to be done, in fact, but to cut through the eastern shore of the lake, and lead the outflowing waters down along a gradually descending country to the sources of the Mohawk, and with the course of that stream, to the Hudson. So favorable was the topography of the route that the cost of making this channel, three hundred and sixty-three miles long, was estimated at only \$5,000,000, and did not actually exceed \$7,000,000, on the plan on which the canal was first completed. Was it a very great venture, and did it furnish evidence of any extraordinary enterprise in the people of New York to undertake a canal that was at so small a cost of capital and labor to supply the only outlet for the commerce of the great Lakes. The trade of that Lake valley was dammed up by the high cliff which occasions the Falls of Niagara. The question whether the canal should be made, was simply the question, whether New York would invest in an interest paying enterprise five millions of dollars for the trade of a vast country, which she believed would become, and which has become, the granary of the world. The wonder was, not New York acted so early as she did, but that the canal was not made, on so easy a route, long before it was actually constructed. Steam navigation had been successfully applied on the Lakes and the Western waters as early as 1817; and yet, the Erie canal was not completed until the Fall of 1825. This canal was necessarily to be the only outlet for a great triangle of country, embracing the Valley of the Lakes, the valley of the upper Mississippi, and the valley of the Ohio. The moment that trade began to find an artificial outlet from Lake Erie to the Hudson, that moment were canals across the low divides between the waters of Lake Erie and the Ohio, and Lake Michigan and the Upper Mississippi, undertaken. It required lockages of only five hundred and sixty-nine feet to reach the elevation of Lake Erie from the Hudson; between Lake Erie and the Ohio, the elevation to be surmounted was only nine hundred and fifty feet; while that between Lake Michi-

gan and the Mississippi was only six hundred and ten feet. New York plainly saw that, by first constructing her own canal, and then aiding the States of Ohio, Indiana and Illinois in constructing other canals over these easy summits, she would obtain command of the trade of a country embracing half a million of square miles, as fertile as the Delta of the Nile. While New York had only these three inconsiderable summits to surmount, in order to reach beyond the Lakes to the Mississippi and the Ohio; what were those which Pennsylvania, Maryland and Virginia had to overcome in simply reaching the Ohio? Pennsylvania had a range of mountain country seventy miles in breadth to penetrate with her canal, and a summit of one thousand eight hundred and ninety-nine feet to surmount with locks. Maryland had a series of mountain ranges a hundred miles broad to traverse, and a summit level of three thousand seven hundred and fifty-four feet to lift her canal over. Virginia had a like series of elevations, a hundred miles in breadth, to cross, and a summit of two thousand feet to overcome.

Yet, nothing daunted by barriers which would be appalling even to the enterprising spirit of our own time, these States went boldly forward with their respective canals. Pennsylvania spent \$20,000,000 in making a water-line, broken by inclined plains and pieced by portages; and found her treasury bankrupted before she could succeed in accomplishing its completion. Maryland, aided by Virginia, spent some ten millions of dollars on the Chesapeake and Ohio canal, in carrying it no farther than the foot of the Alleghanies, and then, dismayed by the difficulties still before her, gave up the water-line, and devoted her resources to the Baltimore and Ohio railroad. Virginia undertook her canal as courageously as the rest; and, after spending \$12,000,000, found she had carried it only to the western base of the Blue Ridge. The works in which these three States had been engaged were so arduous, expensive, and tedious, that, before they could be completed, the growing preference for railroads, and the success of those works, produced a division of popular sentiment on the subject of the proper improvements to be constructed, and caused a suspension of the canals. Owing to the favorable route enjoyed by New York, and the rapidity with which the Erie canal was constructed, New York had completed her great work before the popular preference for railroads had supervened to suspend that work. She pushed it through to early completion; secured, also, the construction of the Ohio and Illinois canal; and thus completed a grand system of inland navigation reaching more than a thousand miles into the heart of the West, before being called on to embark in railroad enterprises. Pennsylvania, Maryland and Virginia were forced to change their system of improvements, after having crippled their finances on unfinished canals; and to engage in

the construction of railroads, without the aid of the trade which had been expected from the canals. What they lost, especially what Virginia lost, by failing to complete their lines of continuous canal, is best shown by describing the effect upon New York of the completion of the Erie canal. The Superintendent of the Census justly comments upon the momentous event, as follows :

“The opening of this work was the commencement of a new era in the internal grain trade of the United States. To the pioneer, the agriculturist, and the merchant, the grand avenue developed a new world. From that period do we date the rise and progress of the Northwest, as well as the development of the internal grain trade.” And Professor De Bow, alluding to the effect of this canal, graphically declared, that, “the bold, vigorous, and sustained effort of the North has succeeded in reversing the very law of Nature’s God, rolled back the tide of the Mississippi and its ten thousand tributary streams, until their mouths, practically and commercially, are more at New York than New Orleans.

The effect was, indeed, to give another mouth to the Mississippi. It opened to market a vast region, which otherwise could have presented but limited attractions to immigration. The fact that the high Lake country, of bleak climate and rigorous winter, has undergone a more rapid development than any part of the West, is due to the Erie canal. It brought that country within readier and cheaper access to market than any other portion of the West. The long and tortuous channel of the Mississippi river, the dangers of the Gulf and coast navigation, and the damaging effects upon grain of the hot, humid climate of New Orleans, rendered the Lake route preferable to that of the river and Gulf, even for the trade of localities which would otherwise have preferred the southern direction. On the other hand, the Falls of Niagara, the rapids of the St. Lawrence river, and the fogs of the St. Lawrence gulf, frightened trade away from that line of ice and storms, and drove it into the Erie canal. The completion of that work, and of its auxiliary canals in Ohio, Indiana and Illinois, was followed, in a few years, by railroads parallel to them. These roads were all, in the first instance, constructed as feeders to the Erie canal ; which was the parent work and grand trunk line of the whole system. After the system of canals and railroads, of which the Erie canal was the base, had stimulated an unprecedented development of population and production in the West, the Erie canal was found incapable of discharging the immense trade which it had created ; and then it became necessary to enlarge its capacity, and to construct as many auxiliary works as possible, at different distances, parallel with it. Hence the New York Central, the New York Erie, the Pennsylvania Central, and the Baltimore and Ohio railroads. But it may be said with truth, that, but for the stimulus

given to production in the Northwest by the Erie canal, these great works would not have become necessary for many years; and but for the capital and credit created by the trade of the Erie canal, the means for building these costly railroads could not have been obtained at all.

Thus, did the completion of the Erie canal decide the question of commercial supremacy, for at least a century, in favor of New York. Until that event, even Philadelphia was the more populous, more wealthy, and more flourishing city of the two. But as soon as the canal began to pour its immense trade into the warehouses of Manhattan Island, New York began to bound forward in every department of successful commerce. Its receipts of products from the West began to be counted by millions of tons, and its imports and exports to be valued by hundreds of millions of dollars per annum.

Such were the advantages which New York gained by the timely completion of her canal; such the advantages which Virginia lost by failing to complete her similar work, in consequence of the difficulties of the route. The well-grounded appreciation of railroads which gradually grew into a railroad mania, while Virginia was yet manfully toiling at her great labor, operated for several years to turn public favor away from artificial water-lines of transportation. The Virginia canal, owing to the great cost of the work (which is now estimated, for the entire line when finished, at \$52,000,000), did not reach completion before the railroad fever had taken possession of the public mind; and it has had to look for its consummation to that returning appreciation, which is now again felt in behalf of cheap water transportation. It offers now a channel of transit between East and West shorter than any other, cheaper and more central than any other, and which will be more free than any other from obstructions arising from climate or a public enemy. When that canal is constructed, we shall have broken the back-bone of the obstacles which nature has so long interposed against the prosperity of Virginia, and against the advancement of Norfolk to the first rank among the cities of the world.

But a brighter day is already dawning for Norfolk and Virginia. For many years the cheapness of transportation on the Erie canal gave a permanently Northeastward tendency to the trade of the whole West, above the parallel of St. Louis. But the perfection to which railroad construction has been brought, and the increasing cheapness and rapidity of railroad transportation, have given to Western trade a strong and growing tendency to cross the country on lower latitudes and shorter routes. Hence the vast business that has sprung up on the Pennsylvania roads, on the Baltimore and Ohio road, and on our own Norfolk and Memphis line of road; and hence the earnest solicitude which is expressed by the public for the completion of our connection from Bristol to Louisville, and for the making of the projected road from the Ohio River to Richmond.

The growing preference of Western trade is for Southern lines; not only because they are more exempt from the frosts of the Northern climate, but because they are on the shortest routes from the centres of Western production and population, to the centre of the American seaboard. It is this tendency of trade, it is this necessity of trade, that has so powerfully turned public attention, of late, to Norfolk as a great seaport city, and given so much credit to the lines of improvement proposed for connecting the great Virginia seaport with the leading cities in the central West. Norfolk has got through her period of monotony and non-growth. That day has closed forever; but it has closed in brilliant promise.

“The weary sun hath had a golden set
And by the bright track of its fiery car
Gives token of a goodly day to-morrow.”

WHAT PENNSYLVANIA COAL HAS DONE FOR NEW YORK.

Mention must also be made of another most important element in the prosperity of New York: In 1825, the very year of the completion of the Erie canal, the coal fields of Pennsylvania came into use, affording to the two cities near them cheap fuel for domestic use, cheap fuel for manufacturing enterprise, cheap fuel for propelling the machinery employed on their railroads and river, coasting and ocean steamers; cheap fuel for driving the vast machinery used in their manifold departments of varied industry. The coal beds of Pennsylvania, lying in close proximity to New York, have contributed full as much to its growth as even the trade of the West. This element of power, wealth and prosperity has always been wanting to Norfolk. It will, ere long, be supplied in unlimited abundance, and at the cheapest prices, by the extension of the James River and Kanawa waterline—a work not second in value to any enterprise whatever—not inferior in importance to the Pacific railroad, or to the Erie canal, or to the navigation of the Mississippi river itself, or to the Atlantic cable, or to the great canal of Suez, or to the ship canal which is to be cut through volcanic Cordilleras across the Isthmus of Darien, or to any undertaking ever projected, in any age, on the habitable globe.

TERMINI OF THE OCEAN PASSAGES, BEFORE THE ERA OF OCEAN STEAM NAVIGATION.

Looking from the land to the ocean, reference must now be made to the maritime phenomena which tended to make New York the great port of entry and clearance for the mercantile marine of this continent. These are best explained in the language of distinguished writers whose

opinions are of the highest authority on this subject. The following sentences are taken from the able and suggestive letter of Gov. Wise to M. Lacouture, already referred to. He says: "A great oceanic cause compelled the concentration of commerce at New York, as long as *sails* have been the motors of the sea. The icebergs of the Arctic, and the trade winds of the Tropics, and the Gulf stream, have made currents of air and water so defined in their course and limits, that whether a ship sail from Florida Cape or Barnaget, from Chesapeake Bay or Newfoundland Banks, she has to take the same offing and pursue the same track over the seas, to make the quickest trip to Liverpool or Havre. If she veers a fraction of a degree too far North, she is in mists and storms and floating ice; and if too far South, she is in baffling currents of air and water, to delay and endanger her passage. The great turnpike over the the Atlantic is about a degree and a half in breadth, with New York at the western and Liverpool at the eastern end of the way. The laws of insurance and time, in trade, made New York the importing and exporting point of the Atlantic front of the American continent, until steam has interposed to defy baffling airs and currents. A steamship can now lay straight across, south of the old sailing line, in latitudes comparatively much safer, from Norfolk better than New York. But I am speaking of the past; and in the past there was no competition from this cause with New York."

In corroboration of these lucid and sound views of this luminous statesman of Virginia, the following extract is also adduced, from an interesting letter, recently addressed to the writer by the highest of all authorities on maritime questions, Commodore Maury. In the course of his letter, this eminent man says:

"The chart of the North Atlantic ocean constructed in the Tower of London by old Captain Folger, for Dr. Franklin, had the effect of turning trade from Charleston and ports South, to New York and ports North. It marked the course of the Gulf Stream, taught navigators how to avoid the force of the currents one way, and to take advantage of them the other.

"Moreover, in those days, vessels approaching the offings of New York and other Northern ports, were often met, as they are now, by Northwest snow storms. In such cases, then, they ran down to the ports of the South to get thawed, spend the winter, and wait till spring or summer before making another attempt to enter. From this chart they learned how, by running off a few miles, they might enter the warm waters of the Gulf Stream, there wait, and so, as soon as the gale abated, 'try again.'

"Thus Charleston and Norfolk ceased to be half-way houses between New and Old England."

Thus, there is a double tendency of trade to pursue lower lines of latitude than New York, both on sea and on land, in its transit from the great trade centres of our own continent to the markets beyond the Atlantic. Hence it is that Norfolk, both from the ocean side and from the interior country is becoming in public estimation a leading point in

the great movement of the world's trade. It needs only that she shall perfect her railroad connections with Ohio, the Mississippi, and the Pacific; that the great Virginia canal shall be completed to the West; and that she shall build up a steam marine proportioned to the magnitude of the interests tending to centre in her noble harbor—to become in a few years, second only to New York among the cities of this hemisphere, and in the course of time prominent among the first cities of the world in wealth, population, capital and commerce.

EFFECTS OF THE LATE WAR.

Last among the leading causes which have tended to retard the progress of Norfolk and Virginia, whilst stimulating the prosperity of New York and the North, must be mentioned the late war. It found Virginia with an unfinished water-line, and with a considerable aggregate length of railroads which were laid out without system, inharmonious in plan and action, and depressed in their finances. The war wore out and destroyed the railroads, leaving them, at its close, physically prostrated and bankrupt in credit. How different was the effect of the conflict upon the public works of the North! It threw upon their railroads a vast business; it poured immense earnings and receipts into their coffers; and it left many of them the richest and most powerful corporations in the world.

But, even the disasters of defeat and subjugation did not dismay our people. In the midst of the desolation which the war had spread over her whole surface, Virginia, with bold heart, addressed herself to the task of repair and restoration. Happily for Norfolk, there was a man of the Southside as bold of heart and resolute of purpose as the great Commonwealth of which he is a favorite son. The heavy business which now pours into this city over a line of railroad which three years ago was in ruins, is literally the creation of the genius and energy of this one man. Here is the sort of one-man power which we may admire, cherish and promote, even at a period when liberty is felt to be the most desirable of all earthly possessions. Nor is this Southside interest alone that is reviving in Virginia. The ruin which has overtaken our people, has only served to impart new energy and sterner purpose of retrieve throughout the Commonwealth; and no State, either in the new world or in the old either in modern or ancient times, has ever exhibited a more rapid recuperation from utter prostration than she has displayed during the last three years, under the most appalling political discouragements that could depress the energies of a fallen State.

Virginia has emerged from the war poor, maimed and desolate; but with the unconquerable will which has characterized her in all her past

history. She still has left that self-respect and pride of character, which nerve and console under every calamity, and which befit dignity and worth under any misfortune. She has lost none of that energy, none of that enterprise, which she has always possessed, however, clamorously it may have been denied to her. And though her destitution may be extreme, and however much the troubles she has suffered may have saddened her spirit, still she claims and intends to achieve a prosperous and honorable future; not only for herself as Virginia, but for her cities and her seaport, as cities and the seaport of Virginia.

“ Like some tall cliff that lifts its awful form,
Swells from the vale, and midway leaves the storm,
Though round its breast t' e rolling clouds may spread,
Eternal sunshine settles on its head.”

THE EDMUNDS' RESOLUTION.

It is not difficult to conceive that, in anticipation of the elections, there might have been political reasons strongly influencing both parties in Congress against committing themselves definitely upon the question of the payment of Five-Twenty bonds in coin. But now that the election is passed, it does appear that the national creditors have a right to expect an unequivocal expression of sentiment upon this very important issue. The usefulness of such a declaration arises rather from the sacredness of national character than from its practical bearings. No nation can afford to deal equivocally with its creditors. Upon its good faith and honor depends its credit; and, in the history of every nation, there comes a time when, upon its credit, hangs its very existence. During the war, we borrowed at a heavy disadvantage, because, among other reasons, our willingness to be taxed upon a large scale had never been tested. The test is now being applied; and if the event should prove that we are disposed to avail ourselves of a quibble for depriving our creditors of what they conceive to be their just rights, we must expect to have to pay the penalty of our bad faith the next time we become borrowers. The faintest savor of repudiation inflicts irreparable injury upon the credit of a Government; and when that Government is popular in form the damage is the more incurable; for the taint is attributed to the heart and morals of the people. Assuming that it were feasible to pay off the Five-Twenties in greenbacks and issue bonds at a lower rate of interest, the consequent stain upon the credit of the Government would cling to us through all our future history, and, forever after, we should have to borrow at a corresponding discount. In the matter of national finance, therefore, honesty the best *policy*.

Besides, in a very important sense, republican institutions are on their trial in the determination of this question. No nation has been able long to conduct its affairs without borrowing. Every Government has had its crisis, when without loans it must have succumbed to its enemies. And it has been urged by publicists in favor of absolute governments that, being least dependent upon the will of the people in the imposition of taxes, they were most to be trusted as borrowers. It now devolves upon us to determine before the world whether the moral instincts of a free, christian people are as much to be trusted as a despotic Government. If the issue be determined in the negative, then we prove that republics lack one of the indispensable elements of resistance to danger; and the struggling cause of the people, the world over, is weakened. If the issue be decided affirmatively, then we demonstrate that a free people may be trusted to defray fully an enormous indebtedness incurred for the preservation of their government; and that question being established, the liberal thinkers and statesmen of Europe are furnished with a complete demonstration of the stability of free governments. The determination of this issue is thus closely identified with the cause of free government everywhere, as well as with the interests of our own people. Let the essential honesty of the American people be fully established, and thereafter we may count upon being able to borrow at all times upon the most favorable terms; a fact which of itself would be the surest possible protection against external encroachments upon our honor and rights, our good credit thus being in a most important sense an economy of expenditures for protection.

Besides, what is the actual saving proposed to be effected in behalf of the people at large, by this quasi repudiation? Assuming that the difference between payment in coin and in greenbacks were one-third the value of the bonds; that, upon a total of \$1,602,000,000 obligations, would amount to \$534,000,000; which, distributed over a total of 40,000,000 people, would be just \$13 35 per head. Are we prepared to sacrifice our honor and our credit for all time for such a paltry consideration?

We have taken this course of remark, not so much because we apprehend that the Five-Twenty bonds will ever be liquidated in paper currency, as from a fear that Congress may shrink from disclaiming the dishonest principle involved in the negation of Senator Edmunds' resolution. It is easily demonstrated that the real issue is between coin payment and blank repudiation. Let it be supposed that Congress declare the bonds to be payable in the irredeemable notes of the Government, and that, at the expiration of the five years option, the Treasury call in the bonds. In order to provide the means for taking up the old securities, the Treasury must be in a position to rely upon being able to sell an equal

amount of new ones. Who, then, are to be the takers of the new loan? Can it be assumed that the holders of the old obligations, disappointed and incensed at the refusal to pay them in coin, would again trust the Government and invest in its securities? The supposition is contrary to all experience and probability. And what reason have we for supposing that other investors would have so much better opinion of the credit of the Government than the old bondholders as to exchange their investments for the new bonds? The fact of their having preferred other investments, before the Government took a course so injurious to its credit, is a conclusive reason for assuming that they would not invest in United States obligations when the dishonor was an accomplished fact. The holders of the present securities, foreseeing the liability of the scheme to miscarry from this cause, and that nothing could be done in the matter of redemption if they refused to take the new bonds, would at once conclude that the Government was at their mercy. They would therefore generally wait until the fact was announced by the Treasury that it could not procure the necessary funds, and that the old obligations must therefore be allowed to run. It is thus clear that the payment of the bonds in greenbacks is impracticable, and that consequently Congress is shut up to the alternative of paying them according to the views of right entertained by the bondholders, or repudiating them altogether. If this be the position in which the Government stands to its creditors, what is there to justify Congress in casting a needless stigma upon the public credit by hesitating to take the ground assumed in Mr. Edmunds' proposition?

The Senate has already committed itself, by formal resolution, to the position that the form of the debt cannot be changed until we have resumed specie payments. This conclusion appears to have been based mainly upon the considerations we have just advanced, and can be but confirmed by examination and experience. When coin or its equivalent become the currency of the country, the bonds could be paid in no other form. Their payment would then be in no sense offensive to the bondholders, but a full rendering of their rights; and the credit of the Government being thereby vindicated, bonds could be easily issued at a lower rate of interest, for the purpose of taking up those now outstanding. The declaratory resolution is thus nothing more than an affirmation that the bonds shall be paid in the only way in which they can be paid.

We repeat the question, then, why should there be any hesitation in adopting the Edmunds' resolution? Under this plain necessity for payment in coin, the hesitation suggests surmises seriously damaging to the national credit and calculated to needlessly exaggerate the prevailing financial uncertainties. When Congress is plainly shut up to the payment of

the bonds in coin, and yet refuses to say that they shall be so paid, the world naturally asks what then does it propose to do? and as the answer does not come always from friendly quarters, reflections are liable to be cast upon our honor, which, though not likely to be ultimately justified, yet in the meantime injure our reputation and cause an unnecessary weakening of public confidence. We cannot but think that, should the resolution be at present rejected, it will be adopted when Congress more fully comprehends its entire accordance with the logic of the situation.

PROPOSED GOVERNMENT TELEGRAPH SYSTEM.

There appears to be a determined effort in Congress to place the telegraph system of the country under government control. Last year, Mr. Washburne took the initiative by introducing into the House a bill providing for the building of a government line from Washington to New York, to be worked in connection with the Post Office, the enterprise being designed as an experimental step toward the ultimate monopoly of the whole business of telegraphy by the Government. Some doubts of the ability of such a line to compete with private companies appear to have been entertained, and that scheme may perhaps be considered as having little chance of adoption. The Postmaster General, however, profiting by the experience of his predecessors in the movement, now comes forward with a scheme for blending a telegraph service with the Post Office, not through the government building or purchasing lines, but by the organization of a company which shall contract with the Government to transmit messages at fixed low rates. He proposes that the company be authorized to construct lines on the post roads and routes; that its capital be fixed at \$200 for each mile of wire; and that its wires be multiplied or extended at the will of the Postmaster General. Offices are to be established in connection with the Post Offices in every city and village of 5,000 inhabitants and over, at railroad stations, and at such other places on the line of the wires as the business of the country may require. The maximum rate to be charged by the company for the transmission of messages is fixed at 20 cents for twenty words, for each 500 miles or part thereof, to which is to be added five cents for postage and delivery. Provision is also made for the prompt delivery of messages and for the remittance of money by telegraph, as now through the money order office. This scheme has been suggested to the Postmaster General by parties at Boston, and apparently in connection with an offer to organize a company upon the terms suggested. It is not proposed, however, to contract with the new company if any other should offer to do the business upon better terms.

There is a certain seductiveness about Mr. Randall's scheme which is quite likely to secure its favorable consideration. He very adroitly evades some of the more prominent objections against the Government meddling with public enterprises. His scheme, it may appear, involves no outlay in lines and little risk by the Government, both being thrown upon the company with which the Postmaster-General may contract; nor does it grant exclusive privileges to either the Government or the company; while it proposes to furnish telegraphic facilities at very much cheaper rates than are now charged by private companies.

It is not necessary to go through the mass of intricate and uncertain details connected with the main question, to arrive at the conclusion that there are fundamental blunders in Mr. Randall's scheme. Much reliance appears to be placed upon the assumption that a large economy in the management of the business would be effected, as compared with that of the existing companies. Is it safe to take this very important item in the calculation for granted? There is, perhaps, no branch of corporate business conducted with greater economy than telegraphing, so far as respects appearances and accommodation. Compared with our banks, insurance offices and railroad depots, the telegraph offices are unpretending—not to say mean looking—and crowded, an immense business being frequently done in basements or in secluded corners rented in private stores or offices. Every one familiar with the pay of employes of the present telegraph companies knows that they receive poor compensation for hard work. We do not believe it will be pretended in any quarter that there is extravagance, or more, that there is not the strictest economy, in the management; which, of course, necessitates a corresponding conservatism in the control of competing companies.

Now, it is most important that the Postmaster-General should have shown wherein the economy in the Post Office management of this business would exceed that of the present Companies; but, on this very essential point, we have not a word of explanation. So far as respects offices, it may be assumed that, in the smaller towns and villages, the existing Post Office buildings would, in many cases, afford scope for the added telegraph business. But this is far from being true of the larger cities, where the bulk of telegraphing is done. The mail business has, in most instances, outgrown the old buildings in which it is transacted, and mailing operations suffer from lack of adequate accommodation; a fact to which the Postmaster-General's annual reports bear ample testimony. Does Mr. Randall suppose that the crowded quarters in Nassau street, or the new office to be some day erected elsewhere, will afford accommodation equal to that given by the present 74 telegraph offices in this city, with their 375 employes? With 35 offices in Philadelphia and 211

employees; 24 in Boston and 156 employees; 22 in Chicago and 86 employees; 21 in Cincinnati and 93 employees; and with other cities in like proportion; the Government would evidently find it necessary to lay out large sums in extending its Post Offices and building new ones and furnishing them; which would no doubt be profitable to politicians, but would be poor economy of the public funds. In addition, therefore, to the capital to be laid out by the proposed Company, in new wires, the public would be taxed to provide capital for the requisite accommodations in the postal department. This certainly is not the sort of response the public expect to their earnest demand for public economy.

Nor is it any clearer how any economy is to be effected with respect to employees. If the Post Office Department is properly managed, the hands in the offices of all towns or cities of 5,000 inhabitants and over (to which it is proposed to extend the system) are already fully employed; none of the employees of the post offices, excepting the carriers, would be available for the new business; and a wholly additional staff would therefore have to be employed. Nor would there be any economy to the public in the carriers being available for the delivery of messages, inasmuch as it is proposed to charge five cents on each message for delivery; which is probably more than the present cost of delivery to the private companies. The effect of the proposed arrangement, therefore, would be to increase largely the capital and the labor employed in telegraphy, without correspondingly augmenting the business done. This certainly is not economy. We can easily understand how the proposed company should undertake to send dispatches at much lower rates than are charged by private companies, when the Government undertakes to provide buildings, furniture and stationery, and to meet expenses of repair, lighting, &c.; but it would be a great mistake to suppose that, under such an arrangement, the public had paid in full for their messages when they had bought the stamped paper on which they were written; a large balance would remain to be paid in taxation to defray the expenses of the new department. It is singular that Mr. Randall, in urging the argument of economy, should have failed to show what would be the probable outlay and the annual cost to the Government of his scheme. We presume there are good reasons for his reticence.

But even after this large outlay on the part of the Government, it does not by any means follow, because there are parties now ready to organize a company and to make a contract, as the Postmaster-General proposes, that they would long continue to send telegrams at the reduced rates offered in this scheme. Suppose that the contractors, after a convenient period, should announce their inability to do the business at the rates agreed upon, what would the Government do? No other company would

be likely to take up the contract, for the failure of the new organization would deter them. The Government would therefore have the choice of taking the whole affair into their hands or of submitting to a higher tariff. The latter course would be an acknowledgment of the failure of the scheme; and the former would be, in every sense, an unmitigated evil, an abuse of the functions of Government, a substitution of political management for business enterprise and an extension of the political corruption connected with bureaucracy. The company which Mr. Randall proposes to associate with the Post Office would thus virtually hold the Government at its mercy; and having the same motives to exact the highest possible rates as influence other companies, we have no sort of assurance that the corporation would not, after having used the Government to bring it into existence and give it prestige, yield to inducements from private companies and demand an advance upon the proposed schedule. This view will commend itself, we think, forcibly to all acquainted with the management of corporate interests.

In addition to these objections to Mr. Randall's scheme specifically, there are others against any and every form of Government interference with the business of telegraphing. It is essential to the protection of the public that the parties who do its telegraphing should be responsible for delays, errors, neglect or the divulgence of secrets. Without such a stimulus, the best managed companies would be apt to transact their business carelessly and the public would suffer inconvenience and loss. The Government would be exempt from all such liabilities; and in the absence of this motive to care and energy its business would be less efficiently transacted than that of private corporations. The history of telegraphing proves that its progress depends entirely upon scientific research and experiment, and the promptness of competing companies to avail themselves of each successive improvement in processes and instruments. State Bureaus are notoriously slow to recognize the results of invention. Officials too frequently refuse to move in the adoption of improvements until won over by a *douceur*; and provided such an inducement be offered, they are apt to recommend or adopt inventions irrespective of their merits, always ready to make the interests of their department subordinate to perquisites. The Government is in no position to command the services of the most efficient agents. Of necessity, it pays a fixed salary to its officers, which is less than really talented experts can command at the hands of corporations; and it is thus of necessity distanced in enterprise by private parties. Any governmental system of telegraph would pay less regard to public convenience than is afforded by the existing companies. The present companies carry their wires into the hotels, railway and other corporation offices, and in this city to the Stock

Boards, Gold Room, Produce Exchange, and every place where an important amount of telegraphing is transacted, thereby effecting a most material economy of time and expense in the conveying of messages. The Government scheme proposes to do nothing of the kind; and from this very neglect Mr. Randall's telegraph would fail to draw from the existing companies the most material part of their business. These are but a few of the many weighty objections that might be urged against the Government attempting this form of interference with private enterprise.

ALBANY AND SUSQUEHANNA RAILROAD.

The twelfth day of the current month will witness the interesting ceremony of the formal opening of the Albany and Susquehanna Railroad to public travel and transportation.

This line, which has a total length of 140 miles, connects by a broad gauge road the State capital, on the Hudson, with Binghamton, on the Susquehanna, and is intended to furnish a great coal carrier from the anthracite regions of Pennsylvania to the upper Hudson River, and make Albany the distributing point for the North and East, Canada and the New England States. It also gives Albany a broad gauge line via Binghamton and the Erie Railway to the Great West. When completed to Troy and Whitehall, as intended, the line will become the highway between the anthracite districts of Pennsylvania and the district of which Montreal is the centre.

That part of the State traversed by this road has hitherto been entirely destitute of railroad facilities. Not a single railroad crosses its course or in any way connects with it except at the extreme termini. It is nevertheless an important and wealthy section, and one which will afford a large local business, as the extraordinary prosperity from the operations on the unfinished line have proved. To accommodate localities branch roads have been constructed, while others are in progress and many more are projected, with the prospect that their completion will not be delayed beyond a reasonable term. The branches already in operation are the one from Central Bridge to Schoharie Court House, 12 miles; and the other from Collier's Station to Cooperstown, about 16 miles. It is also determined to construct immediately a railroad from Cobleskill to Sharon Springs, 14 miles, and thence to Cherry Valley, 6 miles further. Through the Delaware and Hudson Canal, which the road meets at Ninevah, communication is now had with the coal region, and preparations are being made to carry the track on to Soranton. The railroad of the New York and Pennsylvania Canal Company will tap the line at Waverly.

The total cost of constructing and equipping the Albany and Susquehanna Railroad is less than \$6,500,000. Towards the realization of the enterprise State legislation has been favorable, and at various times considerable amounts have been appropriated in furtherance of this enterprise. In all, we believe, about \$1,000,000 have been thus donated to the company, the last \$200,000 of which became due on the completion of the road to Binghamton.

The company owning the line was formed under the General Railroad Law of the State, the articles of association having been filed on the 19th of April, 1851. The capital was fixed at \$1,400,000. In 1852 (laws, cap. 195) Albany was authorized to loan the company \$1,000,000. In 1859 (laws, cap. 384) the capital was increased to \$4,000,000. In 1863 (laws, cap. 70) an act to facilitate the construction of the road was passed and \$500,000 appropriated, and in 1864 (laws, cap. 399) an act authorizing a State tax for this purpose. In 1867 (laws, cap. 164) another act was passed in aid of the enterprise; and acts have been from time to time passed, authorizing cities and towns to take stock in the company, and extend the time for completing the road, &c.

The construction of the road was commenced in July, 1853, and continued to August, 1854, when it was suspended. Work was recommenced in September, 1858. The progress of completion by sections was as follows:

To—			To—		
Schoharie	25 miles..	Sept. 16, 1863	Unadilla	99 miles..	Mar. 21, 1864
Cobleskill	45 " ..	Jan. 2, 1865	Sidney Plains	103 " ..	Oct. 2, 1866
Richmondville	50 " ..	June 1, 1865	Sainbridge	103 " ..	July 10, 1867
Worcester	62 " ..	July 17, 1865	Afton	114 " ..	Nov. 11, 1867
Schenevus	67 " ..	Aug. 7, 1865	Harpersville	120 " ..	Dec. 25, 1867
Oneonta	81 " ..	Aug. 28, 1865	Binghamton	140 " ..	Dec. 30, 1868
Otego	90 " ..	Jan. 28, 1866			

Up to the 30th September, the close of the official year 1867-68, the cost of the construction and equipment (including interest and discounts, \$521,737 02) had been \$6,387,455 94. Of this amount about \$800,000 was donated by the State, and remainder raised: on stock, \$1,841,393 13; on bonds and loans, \$2,802,000; on floating debt, \$560,000; and from surplus income, \$401,829 82. The equipment of the line at this date consisted of 17 locomotives, 15 passenger cars, 17 baggage, mail and express cars, and 182 freight cars. The road has 11.15 miles of sidings. The iron laid weighs 53 to 56 pounds to the yard.

The regular business operations of the first division of the road were commenced with the official year 1863-64, and hence trains have been running for the five years ending September 30, 1868. The general results are as given in the annexed statement:

	1863-64.	1864-65.	1865-66.	1866-67.	1867-68.
Aver. length operated	(35 m)	(48 m)	(93 m)	(104 m)	(113 m)
Miles run by trains	29,828	65,472	191,672	191,639	327,101
Passengers carried	59,623	105,878	204,548	225,245	331,111
Mileage of passengers	1,745,681	3,198,293	5,860,558	6,872,741	7,081,364
Tons of freight moved	17,310	20,348	39,509	57,611	67,111
Mileage of freight	569,685	790,633	2,311,897	2,590,619	4,250,199

The fiscal results from this business was yearly, as shown in the following abstract :

	1863-64.	1864-65.	1865-66.	1866-67.	1867-68.
Passenger	\$47,603 53	\$82,002 01	\$171,554 74	\$196,920 06	\$208,822 10
Freight	47,907 43	73,627 16	151,540 32	217,668 14	248,991 00
Express .....	.....	9,955 98	50,492 15	56,979 48	65,061 81
Mail	801 49	1,787 59	5,959 17	7,747 75	8,826 02
Miscellaneous	1,546 59	2,406 89	2,652 48	4,912 81	4,121 88
Gross earnings.....	\$97,861 07	\$175,729 18	\$385,198 86	\$484,228 19	\$535,822 64
Expense	55,482 27	92,789 56	195,734 87	264,013 70	308,008 85
Nett revenue.....	\$42,378 80	\$82,939 62	\$189,464 99	\$220,214 49	\$227,813 79

Which was disbursed on the following accounts :

Interest	\$.....	\$.....	\$.....	\$159,112 03	\$174,467 25
U. S. tax on ear's	1,600 46	4,975 56	9,462 71	5,897 75	6,069 92
Carried to surplus fund	40,768 40	78,064 01	184,001 78	55,714 71	47,280 92

The following is a statement of the capital account (so far as recorded in the annual report to the State Engineer and Surveyor) at the close of the five fiscal years, ending September 30, 1868 :

	1864.	1865.	1866.	1867.	1868.
Capital stock.....	\$1,347,192 57	\$1,604,145 50	\$1,675,188 70	\$1,774,894 35	\$1,861,393 18
Funded deb	216,739 55	1,016,739 55	2,114,000 00	2,486,000 00	2,802,000 00
Floating d. bt.....	26,250 00	173,721 81	19,443 28	239,767 58	660,000 00
Surplus income	40,768 40	118,832 41	298,834 19	854,548 90	401,329 82
Liabilities.....	2,231,050 46	2,913,439 27	4,107,616 17	4,855,140 78	5,625,222 95

Per contra : charges on the following accounts :

Construction	1,907,125 12	2,977,291 43	3,968,361 16	4,532,981 69	3,317,861 52
Equipment	122,849 95	198,818 84	343,098 24	437,845 81	547,857 35
Interest & disco'ts.....	126,185 78	205,765 18	417,232 08	445,102 08	512,767 07
Cost of road, &c.....	2,156,158 51	3,281,865 42	4,628,691 48	5,415,929 58	6,387,455 94

INTERNAL REVENUE RECEIPTS.

Table showing the aggregate receipts of internal revenue for the several fiscal years 1865, 1866, 1867, and 1868 ; the amount derived from the principal specific sources ; and the per centage of the amount derived from each specific source to the whole, for 1868 :

	Receipts for fiscal year 1865.	Receipts for fiscal year 1866.	Receipts for fiscal year 1867.	Receipts for fiscal year 1868.	Per ct. of the whole receipts
Articles and acc'tions					
Manufact's & Products,					
Roots and shoes	\$3,280,677	\$5,516,814	\$2,942,420	\$1,946,968	1.019
Brandy made from grapes.....	10,545	44,741	13,070	152,8 6	.083
Bullion.....	879,518	488,837	441,340	823,602	.169
Candles.....	326,563	392,822	291,502	236,659	.124
Carrages, railroad cars, &c	680,021	1,576,642	1,606,762	559,214	.292
Chemical productions.....	317,883	534,780	279,892	183,640	.107
Chocolate and cocoa.....	17,980	84,487	34,453	24,067	.013
Cigars, cigarettes, and cheroots	3,087,421	3,476,287	3,661,984	2,951,675	1.544
Clock, clock-movements, &c.....	93,838	153,697	60,963	71,835	.078
Cloth, other than cotton or wool.....	276,672	595,728	1,517,623	123,152	.064
Cloth, p'nted, &c.....	110,286	312,924	259,719	213,722	.112
Clothing	6,820,937	12,027,697	8,195,742	204,201	.107
Cool.....	8 5.984	1,240,106	.....	.....	.....
Coffee, roasted & ground, & substit's.	284,070	221,528	272,635	251,833	.132
Collectory	569,474	945,795	764,225	592,062	.310
Cotton fabrics, yarns, thread, &c.....	7,331,1 8	12,421,934	9,229,468	6,428,835	3.294
Cotton, raw.....	1,772,953	18,409,655	23,767,079	22,500,943	11.767

Articles and occupations.	Receipts for fiscal year 1885.	Receipts for fiscal year 1886.	Receipts for fiscal year 1887.	Receipts for fiscal year 1888.	Per ct. of the whole receipts
Cutlery.....	84,118	150,762	158,849	108,836	.057
Furniture and manufactures of wood.....	2,783,248	4,540,140	2,150,480	1,010,469	.529
Furs.....	222,559	255,503	415,023	.....	.....
Gas, illuminating.....	1,847,825	1,842,642	1,834,671	1,902,082	.995
Glass, manufacture of.....	585,480	922,818	479,102	242,912	.127
Gold manufactures, jewelry, diamonds, &c.....	543,420	640,602	875,652	363,548	.206
Glue.....	44,517	78,147	55,419	.....	.....
Gunpowder.....	248,376	250,009	180,934	181,418	.069
India rubber, manufactures of.....	635,976	555,842	891,003	249,772	.131
Iron blooms, &c.....	52,158	52,258	.....	.....	.....
" advanced beyond blooms, &c.....	457,622	665,102	526,344	.....	.....
" hand, hoop & sheet.....	319,142	566,860	454,344	.....	.....
" bar, rod, &c.....	30,475	53,888	.....	.....	.....
" plate.....	150,292	234,916	150,892	.....	.....
" railroad.....	284,783	390,669	.....	.....	.....
" re-rolled.....	376,265	668,989	.....	.....	.....
" pig.....	1,484,838	2,555,893	.....	.....	.....
" castings.....	798,212	1,367,825	1,061,414	712,851	.372
" (stoves & hollow ware).....	211,849	297,632	374,475	213,059	.111
" manufactures of.....	3,944,380	5,410,181	2,584,764	1,069,838	.551
" cut nails & spikes.....	282,940	725,146	741,265	677,623	.354
" rivets, nuts, &c.....	16,494	101,401	.....	.....	.....
Lead sheet, lead pipes, and shot.....	125,006	227,610	165,437	173,824	.099
" white.....	52,067	102,413	.....	.....	.....
Leather of all descriptions.....	4,337,266	5,884,813	3,445,167	1,587,746	.831
Liquors, distilled.....	15,995,702	29,198,578	29,151,347	14,131,843	7.890
" fermented.....	3,657,181	5,115,140	5,819,345	5,685,664	2.974
Machinery, steam engines, &c.....	772,360	1,189,485	2,104,655	1,661,606	.909
Marble monuments, &c.....	170,419	329,217	121,702	28,568	.046
Molasses.....	54,972	90,851	98,759	.....	.....
Musical instruments.....	259,384	415,144	425,594	348,970	.192
Oil, coal, refined petroleum, &c.....	3,047,212	5,817,396	4,904,762	4,231,891	2.240
" lard, linseed, &c.....	414,547	607,223	.....	.....	.....
Paper of all descriptions.....	1,082,476	1,172,115	742,077	340,398	.178
Pickles, preserved fruits, &c.....	172,814	193,960	.....	.....	.....
Pins.....	24,802	37,923	37,321	27,827	.016
Potteryware, &c.....	98,221	161,857	83,307	.....	.....
Salt.....	335,849	456,101	253,806	.....	.....
Screws, wood.....	122,693	226,590	172,513	72,789	.039
Ships and other vessels.....	347,218	355,473	.....	.....	.....
Silk, manufactures of.....	216,189	445,766	274,890	132,912	.070
Silverware.....	59,768	128,522	88,616	52,820	.031
Snuff.....	283,352	694,174	798,365	745,808	.390
Soap.....	791,416	1,326,025	727,164	411,239	.215
Starch.....	61,233	112,230	.....	.....	.....
Steel.....	174,052	212,662	17,406	.....	.....
Steel, manufactures of.....	549,767	711,211	.....	.....	.....
Sugar, brown or raw.....	322,790	567,531	500,216	372,930	.195
Sugar, refined.....	1,720,613	2,337,405	2,065,165	1,436,394	.751
Tobacco, manufacture of.....	5,017,020	12,839,922	15,245,473	14,947,108	7.618
Turpentine, spirits of.....	8,462	248,178	423,593	417,015	.218
Umbrellas & parasols.....	111,147	229,491	.....	.....	.....
Varnish.....	149,981	211,227	151,476	.....	.....
Wine.....	42,216	66,118	2,761	4,120	.002
Woolen manufactures.....	7,947,094	8,514,101	5,405,426	3,065,786	1.601
Miscellaneous articles.....	11,861,800	17,692,857	12,741,996	6,736,093	3.523
Total.....	104,879,609	178,856,661	146,223,674	100,274,508	53.451
Gross Receipts.					
Advertisements.....	227,530	220,605	222,017	.....	.....
Bridges & toll roads.....	75,169	102,134	115,461	53,513	.028
Canals.....	92,421	99,268	45,223	9,126	.005
Express companies.....	529,276	645,769	150,359	671,950	.351
Ferries.....	126,193	48,764	127,240	132,653	.069
Insurance companies.....	805,992	1,169,722	1,326,014	1,268,746	.674
Lotteries and lottery-ticket dealers.....	29,249	79,072	74,84	65,127	.034
Railroads.....	5,917,293	7,614,418	4,129,255	3,184,837	1.640
Ships, barges, &c.....	431,210	39,312	4,877	44,268	.023
Stage coaches.....	469,188	572,519	241,297	196,596	.094
Steamboats.....	628,112	84,816	91,215	263,450	.139
Telegraph companies.....	215,050	308,488	229,595	214,699	.112
Theatres, operas, circuses, &c.....	140,442	202,521	191,039	214,704	.112
Total.....	9,697,566	11,262,430	7,444,719	6,280,069	3.284
Sales.					
Auction.....	410,176	503,252	240,249	136,727	.068
Brokers, cattle.....	.....	.....	67,674	110,859	.053

	Receipts for fiscal year 1865.	Receipts for fiscal year 1866.	Receipts for fiscal year 1867.	Receipts for fiscal year 1868.	Per ct. of the whole rec'pts
Articles and occupations.					
Brokers, gold, &c.....	852,801	1,044,704	.....	286,483	.150
Brokers, merchandise.....	596,474	870,080	415,170	.....	.....
Brokers, stock.....	2,202,793	1,582,247	.....	4,244,647	2.220
Dealers in excess of \$50,000.....	.....	.....	2,454,833	9,229	.005
Miscellaneous.....	.....	.....	906,599	.....	.....
Total.....	4,062,244	4,002,283	4,114,075	4,887,900	2.531
<i>Special Taxes, (Licenses.)</i>					
Apothecaries.....	32,872	43,713	55,447	58,377	.081
Architects and civil engineers.....	10,411	12,198	15,805	15,650	.008
Auctioneers.....	80,545	89,724	98,085	97,448	.051
Bankers.....	816,687	1,262,849	1,422,716	1,490,384	.780
Billiard rooms.....	54,025	103,929	124,711	136,993	.072
Bowling alleys.....	18,490	19,749	20,858	19,603	.010
Brewers.....	77,747	105,412	238,155	270,205	.141
Brokers.....	581,450	673,260	598,855	538,417	.282
Builders.....	82,273	131,178	117,531	82,234	.043
Butchers.....	152,421	224,465	217,394	225,077	.118
Claim agent.....	56,782	70,637	84,627	62,150	.033
Conveyancers & real estate agents.....	33,510	84,442	99,595	97,855	.051
Dealers, wholesale.....	2,543,105	5,428,345	2,880,281	1,854,388	.970
Dealers, retail.....	1,606,778	1,949,017	2,047,861	2,163,632	1.182
Dealers, wholesale, in liquor.....	400,693	801,531	982,135	592,046	.309
Dealers, retail liquor.....	2,205,866	2,807,226	2,906,684	2,242,915	1.696
Dentists.....	24,475	47,149	59,461	63,663	.033
Distillers.....	59,898	101,534	252,587	115,687	.112
Eating houses.....	36,538	50,603	53,157	54,835	.029
Hotels.....	415,279	580,022	763,656	656,795	.344
Horse dealers.....	40,160	27,566	25,635	23,203	.013
Insurance agents.....	21,610	104,867	148,648	152,148	.078
Lawyers.....	190,377	264,837	357,648	389,031	.200
Livery stable keepers.....	65,211	90,180	100,856	101,760	.053
Lottery-ticket dealers.....	43,450	54,427	77,636	70,010	.039
Manufactures.....	635,115	1,043,031	1,296,437	1,427,669	.746
Peddlers.....	459,299	679,014	708,113	724,210	.379
Photographers.....	74,608	93,186	79,170	53,102	.023
Physicians & surgeons.....	202,847	425,597	519,389	280,566	.308
Rectifiers.....	43,781	61,301	80,470	87,770	.045
Stallions and jacks.....	277,166	306,854	331,032	395,124	.206
Theatres, museums, exhibitions, &c.....	26,143	1,662	31,593	48,555	.026
Tobacconists.....	13,579	316,675	51,321	86,004	.043
Miscellaneous.....	90,258	252,180	279,020	292,046	.152
Total.....	12,612,479	18,083,098	18,186,446	16,864,547	6.559
<i>Income.</i>					
From individuals.....	29,570,596	60,547,882	57,040,641	32,027,611	16.752
From other sources.....	163,655	524,050	.....	.....	.....
From banks, railroad companies, &c.....	.....	.....	7,943,796	8,884,426	4.385
Total.....	29,734,251	61,071,932	64,984,437	40,912,037	21.137
<i>Articles in Schedule A.</i>					
Billiard tables.....	67,754	17,853	20,761	23,422	.018
Carriages.....	322,720	624,458	183,253	224,605	.118
Piano-fortes.....	7,752	403,572	.....	.....	.001
Plate, of gold.....	126	84	163	218	.....
Plate, of silver.....	117,987	216,490	287,679	252,345	.132
Watches.....	9,189	426,527	619,033	605,769	.312
Other articles.....	254,783	4,609	1,005,152	27,961	.016
Total.....	780,266	1,693,123	2,116,674	1,134,840	.593
<i>Total Receipts.</i>					
From manufactures & productions...	101,379,609	178,856,661	146,223,674	100,274,508	52.451
Slaughtered animals.....	1,281,357	1,291,570	262,211	6,031	.034
Gross receipts.....	9,097,866	11,262,420	7,444,719	6,281,069	3.285
Sales.....	4,062,244	4,002,283	4,114,075	4,837,960	2.531
Special taxes (licenses).....	12,612,479	18,083,098	18,186,447	16,864,547	8.559
Income.....	29,734,251	61,071,932	64,984,437	40,912,037	21.137
Salaries.....	2,828,333	3,717,395	1,029,992	1,048,561	.546
Legacies & successions.....	548,703	1,170,979	1,865,315	2,323,411	1.477
Articles in schedule A.....	780,266	1,693,123	2,116,674	1,134,840	.593
Passports, &c.....	29,598	31,759	28,217	28,280	.015
Banks, railroad companies, &c.....	13,579,594	12,109,420	2,046,562	1,896,746	.976
Penalties, &c.....	520,335	932,619	1,459,171	1,256,832	.658
Sale of stamps.....	11,162,302	15,044,873	16,094,718	14,852,252	7.768
Special income tax.....	23,929,812	.....	.....	.....	.....
Collectors of customs, special treaty agents, &c.....	.....	2,184,342	64,263	.....	.....
Aggregate.....	211,129,529	310,906,984	265,920,474	191,180,564	100.

COMMERCE OF NEW YORK FOR 1868.

We have delayed this year publishing our usual annual review of the commerce of New York in order that we might revise some of the figures. Having, however, now received the Custom House statement, and brought down our own tables to the 31st of December, we are able to present the trade of the port in full.

RECEIPTS, IMPORTS AND EXPORTS OF LEADING ARTICLES.

There is no marked variation in the receipts of the leading articles of domestic produce except in breadstuffs and a few other articles. Of wheat the total this year reaches 13,472,940 bushels against 9,625,537 bushels last year and 5,911,511 bushels in 1866, while in flour the figures are about the same for the three years. In corn there is a very decided increase this year, the total being 19,087,265 bushels against 14,944,234 bushels in 1867; and yet this total does not equal the receipts in 1866 when they reached 22,696,186 bushels. The explanation of the small receipts in 1867 may be found in the early and unexpected closing of the canals. Below we give our table of receipts for two years:

RECEIPTS OF DOMESTIC PRODUCE FOR 1867 AND 1868.

	1868.	1867.		1868.	1867.
Ashes, pkgs.....	7,648	6,008	Spirits turp.	61,414	61,428
Breadstuffs—			Rosin	451,681	364,427
Flour bbls.....	2,761,664	2,597,604	Tar	23,886	21,681
Wheat, bush	13,472,940	9,652,537	Pitch.....	9,688	8,718
Corn	19,087,265	14,944,234	Oil cake, pkgs.....	83,223	91,918
Oats.....	11,154,724	7,904,479	Oil, lard.....	8,653	4,198
Rye	740,098	758,268	Oil, petroleum.....	674,699	1,017,735
Malt.....	778,846	458,788	Peanuts, bags.....	59,985	22,789
Barley.....	2,116,198	2,218,454	Provisions—		
Grass seed.....	90,959	72,067	Butter, pkgs.	518,429	555,861
Flaxseed.....	78,857	145,622	Cheese	1,181,251	1,284,143
Beans.....	107,713	46,843	Cut meats.....	85,812	105,611
Pean.....	880,457	712,274	Eggs.....	24,185	223,664
C.meal, bbls.....	28,910	69,182	Pork	126,414	156,779
C.meal, bags.....	808,862	800,209	Beef, pkgs.....	85,753	102,887
Buckwheat & B.W.flour,pk	19,614	22,752	Lard, pkgs.....	95,144	151,608
Cotton, bales.....	671,851	666,411	Lard, kegs	37,870	12,463
Copper, bbls.....	22,869	12,868	Rice, pkgs.	15,716	4,653
Copper, plates.....	12,786	17,005	Starch.....	192,283	216,017
Dr'd fruit, pkg.....	32,494	17,718	Stearine	12,181	8,905
Grease, pkgs.....	4,334	33,454	Spelter, slabs.....		2,811
Hemp, bales.....	743	11,046	Sugar, hhds. & bbls.....	2,909	1,844
Hides, No.....	557,182	322,950	Tallow, pkgs.....	7,277	8,366
Hops, bales.....	70,620	80,620	Tobacco, pkgs....	85,635	169,027
Leather, sides.....	1,901,300	2,225,250	Tobacco, hhds..	47,323	92,230
Lead, pigs	16,555	14,498	Whisky, bbls.....	49,810	146,640
Molasses, hhds & bbls.....	29,000	28,001	Wool, bales	108,757	88,254
Naval Stores —			Dressed hogs, No.....	21,293	83,658
Crude trp. bbl.....	10,601	14,242	Rice, rough, bush....	1,000	3,954

In the exports for 1868 the changes are not very material; and yet the corn movement is a little remarkable. It will be noticed that although the receipts have been over five million bushels in excess of 1867, the shipments have been three million bushels less. Below we give our table, showing the total exports of leading articles for the two years:

EXPORTS OF LEADING ARTICLES FROM NEW YORK FOR 1868 AND 1867.

Article.	1868.	1867.
Breadstuffs—Flour.....	bbls 1,003,968	871,069
Corn meal.....	bbls 141,011	151,859
Wheat.....	bush. 5,762,37	4,468,774
Rye.....	bu h. 152,993	473,210
Barley.....	bush. 91	806,823
Oats	bush. 91,217	144,665
Corn.....	bush. 5,989,225	8,147,813
Pean.....	bush. 189,226	680,763

	1868.	1867.
Candles.....boxes.	74,129	63,251
Coal.....tons.	60,746	72,529
Coffee.....bags.	46,681	44,664
Cotton.....bales.	328,289	447,617
Domestics.....bales.	26,658	18,644
Drugs.....pkgs.	47,876	51,854
Hardware.....cases.	81,795	23,853
Hops.....bushels.	18,828	8,532
Naval stores—Spirits Turpentine.....bbls.	13,044	88,115
Rosin.....bbls.	344,796	239,124
Tar.....bbls.	9,842	4,506
Oil cake.....100 lbs.	818,828	639,045
Oils—Petroleum.....galls.	80,549,928	82,826,960
Whale oil.....galls.	200,182	877,605
Sperm oil.....galls.	443,760	675,982
Lard oil.....galls.	189,000	186,407
Provisions—Pork.....bbls.	23,402	86,254
Beef.....bbls. & t. s.	76,669	56,861
Bacon.....100 lbs.	320,02	93,177
Butter.....100 lbs.	9,951	44,056
Cheese.....100 lbs.	412,672	537,548
Lard.....100 lbs.	482,552	524,638
Tallow.....100 lbs.	132,483	184,986
Tea.....pkgs.	27,584	17,787
Tobacco Leaf.....hhd's.	41,640	79,082
Tobacco.....bales, cases, &c.	41,554	71,551
do Manufactured.....lbs.	7,372,760	7,893,725
Whalebone.....lbs.	675,189	600,586

Below we give the value exported to each country (exclusive of specie) during 1867 and 1868 :

To	1868.	1867.
Great Britain.....	\$78,837,494	\$100,547,843
France.....	9,021,857	1,470,688
Holland and Belgium.....	5,002,109	6,434,558
Germany.....	18,264,043	20,497,615
Other Northern Europe.....	1,616,769	1,355,116
Spain.....	2,175,305	1,495,119
Other Southern Europe.....	6,231,870	7,294,556
East Indies.....	101,029	11,831
China and Japan.....	2,712,879	2,464,004
Australia.....	3,876,462	2,896,099
British N & Colonies.....	4,988,517	3,895,249
Cuba.....	7,165,890	6,242,857
Hawaii.....	1,408,708	1,374,170
Other West Indies.....	8,153,690	7,122,005
Mexico.....	1,831,120	2,132,758
New Granada.....	4,550,409	3,146,464
Venezuela.....	650,815	679,721
British Guiana.....	1,894,011	1,111,829
Brazil.....	2,480,781	2,060,591
Other S American ports.....	3,532,136	3,562,63
All other ports.....	1,481,414	3,122,977

We now bring forward our tables showing the total foreign commerce at this port for a series of years, and for that purpose use, with a few changes, the figures given by the *Journal of Commerce* several days since. It will be seen that the exhibit for the past twelve months is less satisfactory than last year, the exports being less, while the imports are about the same.

EXPORTS.

The exports from New York for 1868, exclusive of specie, reach a total of \$164,006,102 against \$186,790,025 last year. As we stated last year, however, it should be remembered in receiving these figures and using them as a basis upon which to estimate the trade of the country, that the exports from the South have been large each year since the close of the war, while the imports have been small; so also during the past two years California has exported an unusual amount of breadstuffs. For these reasons, the figures showing the com-

merce of New York do not bear the same relation to the trade of the country as formerly, that is to say, the exports do not now represent nearly as large a proportion of the total exports from the United States as during and previous to the war, while the imports represent a larger proportion of the total imports. The shipments direct to foreign countries of cotton alone from the South, during 1867 and 1868, reached about one million bales each year, while the total amount of naval stores, tobacco, &c., sent direct from that section was also large, and yet foreign imports for the South have been to a very great extent received through New York. We think, therefore, when the figures for the whole country are made up they will show a less unfavorable balance. The following statement exhibits the quarterly exports, exclusive of specie, for the past six years from this port. As the shipments of merchandise are reckoned at their market price in currency, we have given in the same connection the range of gold.

EXPORTS FROM NEW YORK TO FOREIGN PORTS EXCLUSIVE OF SPECIE.

	1863.	1864.	1865.	1866.	1867.	1868.
	\$	\$	\$	\$	\$	\$
1st quarter.....	50,614,908	41,429,756	46,710,118	60,972,531	49,376,379	42,083,366
Price of Gold.....	152½-172½	151½-169½	196½-234½	124½-145½	132½-140½	133½-144
2nd quarter....	41,046,736	48,446,696	24,216,087	46,766,386	46,270,201	41,831,668
Price of Gold.....	140½-157½	166½-250	128½-147½	125-167½	132½-141½	137-141½
3d quarter.....	38,825,787	70,519,134	40,521,493	38,381,202	38,292,663	36,549,086
Price of gold.....	122½-145	191-285	138½-146½	143½-147½	138-146½	140½-150
4th quarter.....	40,223,747	52,426,966	67,178,421	46,800,435	52,214,722	44,101,962
Price of gold.....	140½-156½	169-260	144½-149	131½-154½	132½-145½	132-140½
Total.....	170,718,768	221,822,542	178,126,599	192,829,554	186,790,025	164,066,102

We now annex our usual detailed statement showing the exports of domestic produce, foreign dutiable and free goods, and specie and bullion, during each month of the last six years :

EXPORTS OF DOMESTIC PRODUCE.

	1863.	1864.	1865.	1866.	1867.	1868.
January.....	\$14,329,398	\$11,448,953	\$16,023,621	\$19,784,997	\$12,911,689	\$12,766,496
February.....	17,780,586	13,662,218	15,442,506	16,768,120	14,615,141	12,543,574
March.....	16,137,689	14,410,061	13,998,563	23,291,485	19,679,955	12,832,808
April.....	11,551,938	13,263,712	7,220,709	22,526,822	16,979,383	13,176,761
May.....	13,133,510	14,610,493	7,863,565	12,281,623	12,615,022	14,297,029
June.....	14,780,072	17,496,495	8,079,802	9,601,089	14,346,769	10,624,544
July.....	15,298,003	26,251,673	12,521,246	13,037,476	13,626,198	10,538,843
August.....	10,666,939	26,617,850	14,500,860	12,645,004	12,116,096	12,750,918
September.....	11,717,761	15,535,548	12,763,484	1,635,610	11,102,100	11,316,492
October.....	14,513,454	16,740,404	20,986,936	14,593,664	16,679,510	13,954,102
November.....	11,413,591	12,015,064	22,763,327	13,651,464	20,056,540	13,841,126
December.....	12,846,151	19,243,528	22,562,584	16,817,615	13,442,177	14,532,220
Totals ..	\$164,249,177	201,855,989	174,247,154	186,655,969	173,510,409	156,075,573

EXPORTS OF FOREIGN FREE.

	1863.	1864.	1865.	1866.	1867.	1868.
January.....	\$72,111	\$42,233	\$105,421	\$23,201	\$114,207	\$12,650
February.....	43,880	77,698	74,793	26,605	35,803	36,387
March.....	212,685	72,667	307,221	57,167	31,133	24,761
April.....	74,949	48,461	57,544	130,251	38,389	113,439
May.....	103,337	40,898	54,500	151,363	23,492	133,936
June.....	49,380	75,709	35,417	55,074	43,214	32,946
July.....	77,232	249,404	28,236	27,269	20,163	37,975
August.....	90,815	126,527	45,045	50,720	21,096	13,192
September.....	53,400	848,743	64,003	29,873	9,498	30,523
October.....	149,325	69,965	33,235	32,061	4,446	10,822
November.....	56,534	64,914	109,155	64,001	8,515	9,763
December.....	55,555	425,031	24,165	44,235	32,694	39,320
Totals.....	\$1,087,212	\$2,142,453	\$938,733	\$706,482	\$436,635	\$600,924

EXPORTS OF FOREIGN DUTIABLE.

	1863.	1864.	1865.	1866.	1867.	1868.
January.....	\$468,775	\$664,485	\$432,556	\$284,909	\$422,751	\$667,151
February....	610,009	456,493	688,509	400,752	800,663	441,528
March.....	758,266	599,959	191,917	820,165	764,178	655,861
April.....	875,224	558,812	483,895	654,019	845,824	648,960
May.....	602,254	560,898	820,210	759,557	665,034	852,544
June.....	298,067	1,282,218	181,425	606,255	713,137	611,409
July.....	448,601	5,137,460	262,583	401,724	882,595	444,735
August.....	231,774	2,281,782	135,172	226,786	717,161	558,078
September....	238,972	2,461,188	200,854	806,244	820,851	838,255
October.....	350,614	1,104,299	222,072	186,108	797,235	740,477
November.....	383,948	1,126,059	208,091	268,600	610,460	517,907
December.....	458,575	1,632,502	288,606	551,657	533,115	415,675
Totals.....	\$5,425,579	\$17,824,096	\$3,440,410	\$4,967,102	\$8,142,961	\$7,389,600

EXPORTS OF SPECIE AND BULLION.

	1863.	1864.	1865.	1866.	1867.	1868.
Jan.....	\$4,624,574	\$5,459,079	\$2,184,853	\$2,706,336	\$2,551,851	\$7,349,825
Feb.....	3,966,664	3,015,067	1,022,201	1,807,030	2,124,461	4,203,825
March.....	6,585,442	1,800,559	881,913	1,045,089	1,891,141	3,694,912
April.....	1,972,884	5,863,077	871,240	588,875	2,261,283	6,095,179
May.....	2,115,675	6,460,920	7,255,071	23,744,094	9,049,154	15,926,231
June.....	1,867,774	6,583,109	5,199,472	15,890,956	6,724,272	11,823,629
July.....	5,268,881	1,947,329	728,986	5,821,459	13,519,891	10,584,558
Aug.....	3,465,261	1,001,813	1,554,398	1,587,551	1,714,594	4,690,989
Sept.....	3,480,835	2,835,396	2,494,978	834,550	2,201,958	1,954,723
Oct.....	6,210,156	2,517,121	2,516,226	1,463,450	1,182,031	1,608,789
Nov.....	5,438,263	7,267,662	2,046,180	8,776,690	1,733,261	1,181,085
Dec.....	5,259,038	6,104,177	2,752,161	8,297,270	6,854,548	1,717,905
Total.....	\$49,751,006	\$50,825,621	\$20,008,688	\$62,563,790	\$51,801,948	\$70,841,59

TOTAL EXPORTS.

	1863.	1864.	1865.	1866.	1867.	1868.
Jan.....	\$19,685,358	\$17,609,749	\$19,746,451	\$22,814,543	\$15,999,998	\$21,798,152
Feb.....	12,400,148	17,211,176	16,774,008	19,002,587	17,576,967	18,255,414
March.....	23,695,082	16,883,236	14,799,626	24,713,856	22,366,367	17,258,362
April.....	14,004,940	19,754,062	8,582,897	23,839,970	20,124,879	20,831,389
May.....	16,002,780	21,682,200	15,513,346	36,937,067	22,346,699	31,269,790
June.....	16,425,292	25,837,531	13,446,116	26,558,374	21,827,391	23,132,527
July.....	21,092,787	33,585,866	18,536,061	19,307,923	27,588,755	21,606,116
Aug.....	14,454,819	20,977,982	10,235,474	14,511,361	14,571,947	18,018,177
Sept.....	15,492,518	21,789,826	45,523,314	12,805,773	14,204,407	14,155,063
Oct.....	21,219,549	20,431,789	23,788,469	14,273,483	18,663,254	16,314,640
Nov.....	17,392,486	20,473,699	25,126,753	17,750,755	22,408,776	25,583,881
Dec.....	18,619,334	27,410,438	25,577,766	20,710,807	20,912,534	16,705,190
Total.....	\$220,465,034	\$272,648,163	\$203,630,282	\$254,883,254	\$238,591,973	\$284,067,701

The shipments of specie during 1868 will be seen to be about 4 millions less than last year.

TOTAL IMPORTS.

In 1866 the imports reached the large total of \$306,613,184. Compared with those figures there is, this year, a falling off of about 55 millions; but, compared with years previous to 1866, the total still continue large. In the following we classify the total imports giving separately the dry goods general merchandise and specie:

FOREIGN IMPORTS AT NEW YORK.

	1864.	1865.	1866.	1867.	1868.
Dry goods.....	\$71,589,752	\$92,151,140	\$126,222,835	\$93,532,411	\$80,905,834
General merchandise.....	111,240,386	130,557,998	170,812,800	160,797,725	168,202,611
Specie.....	2,265,622	2,123,281	9,578,029	8,306,839	7,085,389
Total imports.....	\$218,125,760	\$224,742,419	\$306,613,184	\$262,637,075	\$256,193,834

We now give, for comparison, the previous years since 1851, classifying them into dutiable, free, and specie. Under the head of dutiable is included

both the value entered for consumption and that entered for warehousing. The free goods run very light, as nearly all the imports now are dutiable :

FOREIGN IMPORTS AT NEW YORK.

Year.	Dutiable.	Free goods.	Specie.	Total.
1831.....	\$119,597,304	\$9,740,771	\$3,049,543	\$131,387,578
1851.....	115,536,053	17,305,813	2,404,425	135,246,291
1853.....	179,512,412	12,155,387	5,419,083	197,086,882
1854.....	168,424,994	15,703,916	2,507,572	186,636,482
1855.....	142,900,561	14,108,946	855,631	157,865,138
1856.....	193,832,646	17,903,776	1,514,495	213,250,917
1857.....	196,379,863	21,440,734	12,898,083	230,718,680
1858.....	123,678,056	23,034,691	2,564,130	149,276,877
1859.....	212,640,373	23,703,723	2,164,421	238,508,517
1860.....	201,401,653	23,005,47	8,852,430	233,269,559
1861.....	95,526,459	30,354,918	27,084,418	152,965,795
1862.....	142,970,415	23,391,635	1,290,277	167,652,327
1863.....	171,521,576	11,567,000	1,525,811	184,614,387
1864.....	204,139,226	11,731,904	2,295,622	218,166,752
1865.....	212,903,801	10,410,887	2,123,281	225,437,969
1866.....	284,022,567	13,001,586	9,578,029	306,602,182
1867.....	232,297,355	11,044,181	8,804,829	252,146,365
1868.....	237,244,413	11,784,027	7,055,859	256,084,299

Below we give a detailed statement showing the receipts from foreign ports during each month of the year, for the last six years, both of dutiable and free goods, and what portion were entered for warehousing, and the value withdrawn from warehouse :

IMPORTS ENTERED FOR CONSUMPTION.

	1862.	1863.	1864.	1865.	1866.	1867.	1868.
January.....	\$1,741,277	\$1,872,239	\$1,872,239	\$1,872,239	\$1,872,239	\$1,872,239	\$1,872,239
February.....	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239
March.....	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239
April.....	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239
May.....	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239
June.....	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239
July.....	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239
August.....	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239
September.....	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239
October.....	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239
November.....	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239
December.....	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239	1,872,239
Total.....	144,377,429	104,908,511	136,457,155	163,606,230	127,541,018	127,727,913	127,727,913

IMPORTS ENTERED WAREHOUSE

	1862.	1863.	1864.	1865.	1866.	1867.	1868.
January.....	\$4,412,794	\$5,571,936	\$4,517,235	\$10,211,876	\$9	\$9	\$9,547,871
February.....	3,657,775	4,991,539	5,568,127	11,698,977	11	11	9,297,633
March.....	6,018,901	6,511,408	7,773,555	9,339,100	9	9	1,391,956
April.....	6,405,403	5,055,540	7,449,371	10,159,637	12	12	10,750,699
May.....	6,457,404	14,727,177	5,233,049	12,902,07	10	10	10,541,079
June.....	5,372,885	14,904,951	7,122,791	10,957,030	10	10	10,062,667
July.....	6,057,443	14,974,635	7,845,947	11,301,374	11	11	10,573,068
August.....	4,409,891	10,427,473	7,642,240	8,123,408	9	9	8,220,000
September.....	3,421,310	5,355,568	4,235,240	7,817,043	6	6	5,804,640
October.....	4,199,457	5,322,928	5,904,993	8,112,669	7	7	6,830,490
November.....	4,456,415	4,780,532	9,184,116	8,345,859	6	6	7,052,322
December.....	5,676,935	4,250,963	10,506,502	10,103,019	6	6	5,325,234
Total.....	60,144,387	99,129,435	22,741,145	20,222,935	110,756,959	104,807,465	104,807,465

IMPORTS OF FREE GOODS.

	1862.	1863.	1864.	1865.	1866.	1867.	1868.
January.....	\$2,413,643	\$341,050	\$340,139	\$1,238,757	\$717,510	\$717,510	\$717,510
February.....	723,561	727,758	624,063	1,504,353	8,264	8,264	714,777
March.....	1,328,216	1,072,949	829,450	2,179,17	922,777	922,777	821,679
April.....	1,328,216	1,072,949	829,450	2,179,17	922,777	922,777	821,679
May.....	710,031	1,055,575	615,516	969,416	1,140,108	1,140,108	867,657
June.....	781,073	1,365,634	953,236	1,002,520	1,043,040	1,043,040	782,149
July.....	662,830	917,094	636,431	869,549	702,726	702,726	1,091,548
August.....	509,781	908,473	836,532	91,877	844,684	844,684	836,165
September.....	784,364	822,557	725,469	840,022	854,937	854,937	1,421,632
October.....	741,638	855,079	725,469	1,471,951	754,661	754,661	1,294,991
November.....	665,207	911,976	1,122,946	872,514	1,022,066	1,022,066	1,222,274
December.....	834,074	1,122,946	912,927	947,999	726,105	726,105	847,250
Total.....	\$11,567,000	\$11,721,903	\$10,410,637	\$13,001,566	\$11,044,121	\$11,784,027	\$11,784,027

IMPORTS OF SPECIES.

	1862.	1864.	1865.	1866.	1867.	1868.
January.....	\$101,806	\$141,780	\$12,208	\$21,771	\$122,719	\$122,876
February.....	812,971	88,139	102,804	173,122	170,691	418,879
March.....	122,616	104,487	242,242	225,854	148,287	1,229,776
April.....	207,861	265,814	226,488	161,517	271,710	271,079
May.....	187,217	600,008	177,087	240,078	278,765	477,485
June.....	106,867	148,721	226,019	84,519	429,134	229,111
July.....	122,245	122,029	222,640	245,961	28,646	122,442
August.....	112,877	245,553	122,072	202,221	540,344	242,221
September.....	72,221	58,227	124,224	5,122,472	245,009	202,559
October.....	72,022	222,775	77,222	1,424,122	222,729	524,222
November.....	102,144	121,727	222,522	512,227	121,279	222,212
December.....	112,222	114,272	177,024	222,022	222,012	221,422
Total.....	\$1,222,211	\$2,222,222	\$2,122,221	\$2,222,022	\$2,222,222	\$7,022,222

TOTAL IMPORTS.

January.....	\$12,222,272	\$12,272,224	\$10,222,117	\$20,122,222	\$20,272,227	\$12,412,271
February.....	12,022,222	21,222,227	11,472,222	20,222,227	20,222,227	20,212,227
March.....	12,222,222	22,222,227	12,222,227	22,222,227	21,212,227	22,212,227
April.....	17,222,222	22,222,227	12,222,227	22,222,227	22,222,227	22,222,227
May.....	14,222,222	22,222,227	12,222,227	22,222,227	21,222,227	22,222,227
June.....	12,222,222	22,222,227	12,222,227	22,222,227	21,222,227	22,222,227
July.....	12,222,222	22,222,227	12,222,227	22,222,227	21,222,227	22,222,227
August.....	12,222,222	22,222,227	12,222,227	22,222,227	21,222,227	22,222,227
September.....	12,222,222	22,222,227	12,222,227	22,222,227	21,222,227	22,222,227
October.....	12,222,222	22,222,227	12,222,227	22,222,227	21,222,227	22,222,227
November.....	12,222,222	22,222,227	12,222,227	22,222,227	21,222,227	22,222,227
December.....	17,222,222	22,222,227	22,222,227	12,222,227	22,222,227	12,222,227
Total.....	127,022,277	22,222,227	22,222,227	22,222,227	22,222,227	22,222,227

WITHDRAWN FROM WAREHOUSE.

January.....	\$2,222,221	\$4,222,221	\$2,222,221	\$7,222,221	\$2,222,221	\$2,222,221
February.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
March.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
April.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
May.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
June.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
July.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
August.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
September.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
October.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
November.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
December.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
Total.....	20,222,221	27,222,221	20,222,221	100,222,221	100,222,221	100,222,221

Below we give in detail the receipts for customs at New York each month of the last five years :

RECEIPTS FOR CUSTOMS AT NEW YORK.

	1864.	1865.	1866.	1867.	1868.
January.....	\$2,222,221	\$4,222,221	\$2,222,221	\$7,222,221	\$2,222,221
February.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
March.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
April.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
May.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
June.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
July.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
August.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
Sept.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
Oct.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
Nov.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
Dec.....	2,222,221	2,222,221	2,222,221	2,222,221	2,222,221
Total.....	20,222,221	27,222,221	20,222,221	100,222,221	100,222,221

The total custom receipts for the year amount to \$113,296,712 62, as given in above table. This is a decrease of about one million dollars on last years total, and about fifteen millions less than the total of 1866, but larger than any year previous to 1866.

DRY GOODS IMPORTS FOR 1868.

It will be seen in the foregoing table classifying the imports, that the total imports of dry goods the past year amounted to \$80,905,834, against \$88,582,411 for the previous year, and \$126,222,855, for 1866, a decrease of about 46 millions on the total for 1866, and of 8 millions on the total for 1867. We now give a detailed statement showing the description of these goods, and also the relative totals for the preceeding five years :

IMPORTS OF DRY GOODS AT NEW YORK.

Description of goods.....	1864.	1865.	1866.	1867	1868.
Manuf's—Wool.....	\$31,411,965	\$36,053,190	\$50,405,179	\$33,676,601	\$25,753,436
Cotton.....	8,405,245	15,449,054	21,287,490	15,800,594	13,561,001
Silk.....	16,164,680	20,476,210	24,837,734	18,565,817	21,738,801
Flax.....	11,621,831	15,521,190	20,456,870	12,949,561	12,501,157
Miscellan's dry goods.....	3,956,630	4,561,586	9,235,563	7,569,538	7,381,439
Total imports.....	\$71,589,752	\$92,061,140	126,222,855	\$88,582,411	\$80,905,834

The decrease during this year has been principally on woolen goods, while in silk there has been an increase. We now give a summary of the imports each month, from which can be seen the course of the trade through the year. The returns for the previous four years are added :

TOTAL IMPORTS OF DRY GOODS AT NEW YORK.

	1864.	1865.	1866.	1867.	1868.
January... ..	\$8,184,814	\$2,360,635	\$15,769,091	\$12,928,872	\$5,112,359
February.....	9,437,454	3,723,690	16,701,578	10,786,615	8,574,770
March.....	12,635,127	5,524,599	15,823,273	10,227,579	9,361,654
April.....	5,220,245	3,969,706	7,336,564	5,274,456	4,836,418
May.....	6,081,136	3,931,468	7,299,112	5,436,451	5,823,994
June	4,801,703	5,443,042	6,775,244	4,564,079	4,181,629
July.....	6,762,750	7,226,223	10,727,463	6,532,575	6,971,547
August.....	7,529,800	13,462,265	14,879,838	12,608,019	12,653,606
September.	4,107,449	11,198,257	9,175,675	7,351,222	8,457,768
October....	2,996,100	12,187,831	8,480,550	5,332,723	5,702,189
November.....	2,235,107	12,657,937	7,259,236	4,397,393	5,514,393
December	2,553,567	10,566,951	5,939,731	3,092,350	3,516,508
Total	\$71,589,752	\$92,061,140	\$126,222,855	\$88,582,411	\$80,905,834

In the foregoing table we have indicated the extent of the imports each month since January, 1864. As our readers may be interested in seeing the totals for the anterior period, we annex the following, showing the total imports of dry goods at this port each year since 1849 :

IMPORTS OF FOREIGN DRY GOODS AT NEW YORK.

	Invoiced value.		Invoiced value.		Invoiced value.
1849.....	\$44,435,575	1856.....	\$93,862,898	1862.....	\$56,121,227
1850.....	60,106,871	1857.....	90,524,129	1863.....	67,274,547
1851.....	62,645,731	1858.....	60,154,509	1864.....	71,589,752
1852.....	61,654,144	1859.....	113,152,624	1865.....	92,065,140
1853.....	93,704,211	1860.....	103,927,100	1866.....	126,222,855
1854.....	80,842,936	1861.....	43,636,669	1867.....	88,582,411
1855.....	61,974,062			1868.....	80,905,834

IMPORTS OF MERCHANDISE OTHER THAN DRY GOODS AT THE PORT OF N.Y.

The following table shows in detail the imports of merchandise other than dry goods at this port for the year 1868. In the MAGAZINE for February, 1868, page 134, will be found the figures for 1867:

[The quantity is given in packages when not otherwise specified.]

Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
China, Glass & Earthenware		Carmine 56	17,739	Ising'ars 14	5,990
Bottles 333,063		" of indigo 9	833	Jalap 145	11,492
China 11,523	571,470	Chlorodyne . . 17	1,227	Lac dy's 879	33,946
Earth'w'e . 50,737	1,820,849	Chalk 10,062		Laurel leaves . 50	341
Glass 361,923	821,768	Cobalt 21	8,648	Lac sulph 5	208
Glasswa's 24, 03	840,872	Colcothar . . . 85	480	Leeches 326	7,224
Glass plate . 7,137	947,806	Colocyn'h . . . 281	3,640	Lic'rice r't 14,463	42,961
Stoneware 17,565		Creosote 17	532	" waste 15,323	445,068
Other 4,357		Cream tar . 1,733	318,542	Locust be's 2,159	2,692
Drugs—		Crystal tartar . 10	2,211	Logwood ext 70	1,799
Ac de 2,101	206,363	Chicory 6,056	126,543	Madder . . . 13,299	3,480,144
Acetate of		Colombo ro' 12 14	1,623	Magnesia . . . 703	12,105
lime 2,299	51,135	Cochineal . . 5,161	829,228	Magnesia, carb 52	788
Alkali 6,781	117,636	Castoreon 4	112	Manna 47	1,731
Asphaltum . 485	8,228	Cubebs 100	599	Nitrate lead . 661	14,802
Albumen . . . 49	7,315	Cudbear 242	35,538	Nitro benzole 10	1,041
Alizarine . . . 12	7,563	Cutch 9,478	69,271	Nutgalls . . . 91	5,096
Aloes 951	16,870	Divi divi . . 1,177	1,611	Nux vomica 1548	4,075
Alum 2,094	12,574	Dunging salts 87	3,857	Oils un pec . 457	19,060
Alum cake . . 458	10,957	Dragon's blood 8	532	" anise 41	4,911
Ammonia sul 1423	2,205	Ergot 41	4,059	" anise-d . 131	15,803
" carb 915	49,437	Egg albumen . 50	8,503	" almonds . 83	5,892
" muri'c 4	234	Esparto 251	655	" cod 1,754	53,819
" sal . 111	9,143	Ergot of rye . . 9	629	" berg'm't 635	120,867
Alum'ment . . 273	2,283	Ext. of mad'e 14	3,947	" Cassia . . 184	12,294
Anatto 2,899	83,714	Ext. of indigo 231	20,055	" cocoanut 635	25,200
Aniline, crude 10	664	Ext. of fustic 72	382	" cajiput . . 12	430
" ar'e 152	10,415	Ext. of dyc'w'd . 4	480	" cubebs 2	261
" oil 1	1,209	Flour sulphur 50	257	" citron 7	1,130
" powd . . . 1	219	Gentian root 222	1,953	" cloves 8	267
" chlo'ate 9	871	Gelatine 85,011		" citronella 27	11,047
" col's 485	87,576	Gambler . . 20,942	158,712	" croton . . . 11	765
" dyes 1	631	Gamboge . . . 167	10,767	" fasil 5	416
Antimony . . 100	5,754	Gum Ar'bic 3 4 7	42,835	" fish 5	143
Aniseed 272	8,553	" amber 2	1,135	" corn 38	2,833
Arsenate tolli-		" crude 505	27,171	" carraw'yed 32	4,250
dine 20	1,899	" benzene . . 10	624	" Haarlem . 299	2,214
Asia 1	222	" anine 86	8,349	" juniper . . 15	701
Arrow root 2,351	14,696	" benjamin 49	2,483	" geranium 21	2,326
Asafoetida . . 118	5,090	" copaivi . 856	29,065	" lavender 204	14,419
Arsenic 2,312	19,532	" cam'r 1,863	42,546	" laurel 46	5,041
Argols 2,111	208,225	" kow'r el 2365	969,184	" lemon . 1,014	69,699
Balsam tolu 21	1,122	" gedda . 1,803	53,843	" lemon gas 18	1,408
" Peru 6	510	" gul'cum 102	1,444	" nerobv 2	709
Bark, red 12	619	" copal . 2,083	72,060	" orange . . 158	5,333
Bark, Peruvian .		" mastic 9	1,432	" origan'm 76	2,967
12,313	352,950	" keno 9	135	" ne'tisoot 140	827
Barytes 497	2,066	" talc 873	32,735	" ess'ntial 570	27,168
" sulph . 13	120	" myrrh . . 118	2,565	" Lins'd 1,226	11,783
" car 495	2,732	" alibain'h 23	399	" Olive . 42,065	216,361
Bismuth 22	25,546	" mogadore 6	400	" Palm 930	63,992
" sub'tile 4	253	" truga'm 150	19,586	" Poppy 11	619
Black po'd 23,415	482,709	" senegal . 144	5,725	" Portugal . 10	409
Blue galls . . . 29	2,125	" senari . . . 10	863	" Rosemary 14	490
Bottle of lime 65	726	" sen'kim 150	10,636	" Nutmeg . . . 3	283
Borax 85	698	" substit'te 85	4,530	" Rhodium . . 3	535
But'r of cocoa 15	243	" to'u 65	2,996	" Sesame . . . 92	2,803
Burgundy ph'ch		" sahdrac . 22	1,278	" Rapeseed 23	2,611
100	834	" scam'm'ny 4	710	" Sandalm e . 3	825
Buchu'leav s . 72	1,593	Glue 8,339	338,994	" Sandalw'd 2	531
Brimstone . .		Glycerine . 1,309	26,375	" Whale . . . 333	92,122
(tons) . . . 10,273	269,158	Gypsum 74	7,243	" Seal 80	2,106
Castor oil . . 539	12,109	Iceland moss . 10	103	" Hperm . . 815	225,115
Calamus root . 11	446	Indigo 4,567	834,596	" Rose 3	5,692
Calomel 70	2,570	Iodine 53	58,217	" R'd Thyme 71	3,021
Camphor . . . 2,247	60,678	Iodine, e-sub . 7	1,810	" Wormw'd . 1	253
Cham'mile . . 10	144	Iodide, pot . 207	54,111	Opium 1,113	620,149
" flowers 236	8,354	Ipecac 53	8,985	Orchilla W'd 747	19,014
Cantharides . . 63	5,961	Ipecacuanha . 60	9,444	" Liquor . . 46	3,861
Cardamoms . 111	23,483	Insect powdr 233	9,056	Orris root . . . 19	674

Quantity.	Value.
Oxide Cobalt. 12	3,065
" Zinc... 5,540	71,363
Paints.....	671,737
Paris White. 238	5,478
Per. Berries. 103	7,980
Pitch.....	543
Potash chrom. 59	5:7
" bic 1,341	95,034
" benox. 20	9:0
" chlo. 1537	45,379
" man 647	1,857
" hyd 196	27,083
" mur 4451	54,733
" prus. 231	42,372
" refind 103	4,847
" sulph. 11	303
Phosphorus 591	23,053
Plumbago. 2,335	312,817
Putty.....	946
Quinine... 740	72,8:5
" sulph. 293	23,118
Quicksilver 300	10,094
Red thyme... 31	874
Reg. antim 1233	76,050
Rotten stone. 53	1,067
Rhubarb.... 733	47,353
Saffron. 19	6,031
St John's br 280	777
Salt..... 20	156
Safflower... 223	27,565
" ext... 137	13,651
Santonin.... 7	2,340
Sago.... 878	3,180
Saltpetre. 17,331	113,286
Sei lis pd's 7	637
Sarsap'lla 2,333	57,118
Scammony.... 3	1,303
Seena... 400	11,303
Smalts... 135	1,097
Shellac... 4,331	124,115
Soda, arsenate 13	679
" bicar 119,448	339,972
" silicate. 18	889
" sal... 40,533	179,109
" caus. 11,324	221,544
ash... 31,555	1,057,103
" hypo-sul 233	2,333
" hyperal. 146	1,113
" nitrate 55373	303,186
Sponges... 1,693	55,063
Squills..... 130	693
Sugar of Lead 9	643
" of milk... 16	1,433
Sulphur..... 200	1,433
Storax..... 3	251
	300,717
	23,793
	1,163
	234
	231
	23,793
	3,935
	43,051
	1,630
	21,735
	48,344
	3,680
	16,843
	123,767
	219
	451
	3,731
	16,997
	21,190
	152,331
	44,351
	2,525,090
	90,353
	33,437

Quantity.	Value.
Citron.....	125,500
Currants.....	218,783
Dried fruits....	96,008
Dates.....	16,730
Figs.....	75,672
Lemons....	423,210
Lentils.....	16,073
Nuts.....	889,384
Oranges.....	671,194
Peas.....	2,301
Pres'vd ginger	14,303
Pine apples....	104,591
Plums.....	55,732
Prunes.....	614,040
Raisins.....	1,565,342
Tamarinds.....	963
Sauces & pres.	301,594
Grapes.....	22,494
Other.....	271
Instruments—	
Chemical ..	2,894
Mathematical	14,597
Musical....	489,088
Nautical....	2,170
Optic al.....	85,031
Philosophical	6,245
Surgical....	3,712
Telegraphic...	1,872
Jewelry, &c—	
Jewelry....	1,908,107
Watches ..	1,904,372
Leather, Hides, &c—	
Bladders.....	447
Boots & shoes	17,256
Bristles ..	461,371
Hides, dress'd	4,634,447
Hides, undressed	2,072,355
Horns.....	5,098
Leather, pat...	48,082
Mis of leather	162,067
Liquors, &c—	
Alc.....	118,977
Aromatic bit	3,706
.....	452,084
.....	55,745
.....	17,063
.....	2,836
.....	160,568
.....	306
.....	13,642
.....	4,584
.....	52,022
.....	1,340
.....	66,463
.....	98,190
.....	61,342,885
.....	900,975
.....	310
Metals—	
Anvils.....	45,588
Brass goods	66,334
Bronzes.....	128,617
Chains and an-	
ch rs.....	161,418
Copper.....	27,558
" ore.....	15,634
Cutlery....	1,322,971
Gas fixtures..	5,517
Guns....	247,803
Hardware.....	837,175
Iron, hoop(tons)	
.....	111,340
Iron, pig (tons)	
.....	501,704
" RR bars.....	4,094,539
" sheet (tons)	27,643
" tube.....	90,544
" other (ton.)	2,538,712

	Quantity.	Value.
Lead, pig	47,659	2,394,218
Metal g'ds.	7,429	75,477
Nails	454	16,447
Needles	690	3,813
Nickel	293	107,703
Old metal	...	164,949
Plated ware	171	68,689
Platina	56	97,334
Perone, caps	703	28,681
Saddlery	294	18,006
Steel	25,236	2,394,300
Spelter	7,363,687	239,146
Silverware	61	18,633
Silver	8	286
Tin plate, box,	854,463	5,140,119
" slabs, lbs.	4,358	190
Wire	14,777	141,167
Zinc	2,324,009	137,511
Spices—		
Cassia	...	306,647
Cinnamon	...	35,277
Cloves	...	13,254
Ginger	...	44,594
Mace	...	24,912
Mustard	...	63,076
Nutmegs	...	105,179
Pepper	...	264,373
Pimento	...	35,686
Others	...	599
Stationery, &c—		
Books	9,903	1,111,115
Engravings	739	167,277
Paper	6,597	619,799
Other stationery	2,466	245,667
Woods—		
Ash	...	911
Bamboo	...	795
Boxwood	...	5,422
Basswood	...	2,340
Birchwood	...	2,221
Brazilwood	...	107,764
Camwood	...	20,496
Cedar	...	61,096
Cork	...	144,573
Drywoods	...	9,233
Ebony	...	8,977
Fastic	5,534	129,918
Limaewood	...	31,743
Lignumvite	...	16,139
Logwood	45,561	241,818
Mahogany	...	114,095
Ratao	...	23,561
Rosewood	...	112,223
Sassaewood	...	26,073
Sailawood	...	1,093
Redwood	...	26,095
Sandal	...	5,014
Willow	...	25,299
Palm leaf	...	1,118
Other	...	190,093
Miscellaneous—		
Alabaster ornaments	...	26,093
Animals	...	52,791
Baskets	7,423	109,258
Bags	...	211,912
Beads	1,321	125,079
Beans	...	21,403
Bone dust	...	5,450
Boxes	...	45,993
Blacking	...	2,561
Bricks	...	9,905
Buttons	6,821	1,590,218
Building stone	...	74,581
Polishing stone	...	1,076
Burr stone	...	64,077
Candle	...	5,477
Carriages	...	19,680
Clay	...	43,400
Cheese	2,197	229,018

Quantity.	Value.	Quantity.	Value.	Quantity	Value.
Cigars	676,190	Ivory.....	2,149 200,857	Coriander seed	226
Coal, tons 29,912	8 9,195	Jute	22,249 231,422	Caraway s'd 0	20,238
Corks	177,271	" bntts..6,191	16,669	Canary	4,400
Confectionery60	5,084	" cutting1,485	4,455	Linseed .585,427	2,369,025
Cotton, bls.1,545	113,521	Lith. stones..36	14,017	Sea root.. ...8	434
Clocks. ...1,220	131,093	Machinery.6,103	287,877	Soap.....54,649	177,747
Cocoa, bgs19,503	316,053	Marble & mf... 308,624		Statuary	141,925
Coffee, b gs,		Malt.....3,103	50,164	Shells	40,142
1,143,418	15,925,976	Matches ... 34	1,200	Slate roofing...	1,204
Emery.....2,563	26,404	Macaroni23,153	44,490	Sug'r, hds and	
Eggs	6,176	Mola seal5,117	5,090,436	bols 891,041	22,163,835
Fancy goods...1,463,249		Oil Palut's.1,035	492,092	Sugar, bxs. and	
Fans.....	106,135	Oakum..... 600	1,919	bags ..608,014	6,027,320
Feathers	174,960	Oat meal.....	2,851	Tar.....	49 339
Fire crackers... 86,485		Onion.....	52,413	Taploca ...2,762	21,695
Fish	544,450	Paper hang's 867	67,812	Trees & plan's..	7,437
Fax	1,844 234,576	Pe ri barley. 40	263	Tea.....765,055	10,837,755
Flints.....	541	P arl shells....	24,176	Twine.....166	17,224
Four	200 5,838	Perfumery.2,630	257,028	Toys ... ..9,867	425,915
Furniture...901	67,104	Plaster	36 52,157	Tobacco..54,692	1,694,406
Grain	232,196	Plassara.....706	1,161	Turtle shell...	1,114
Grindstones....	22,421	Pipes.....	276,869	Tomatoes ..	24,366
Guany cloth,		Potatoes	92,879	Waste.....1,440	50,86
12,621	218,506	Pumice stone..	263	Whisk	5 302
Ground flint.112	1,352	Prov slons	93,059	Wha ebone....	22,022
Gutta Percha115	9,914	Rais .....54,892	1,404,510	Wax	2,655
Guano	19,613	Rice.....	836,277	Wool, bales,	
Hair.... ..7,775	978,337	Rope.....	239,783	23,226	1,954,537
Hair cloth ..349	165,918	Sago	1,683 10,881	Wood	2,966
Hemp...124,193	2,732,266	Sago fl ur.5,715	21,837	Other miscel....	39,481
Honey.....2,711	9,392	Salt	422,942		
Hops ... ..7,963	190,069	Feeds. unsp....	216,063	Grand total..	\$168,202,611
Ind rub'r 31,265	1,902,691	Castor seed8,015	33,157		

THE WATER POWER OF MAINE.

BY WALTER WELLS, SUPT. HYDROGRAPHIC SURVEY OF MAINE.

Maine does not lack for lumber, granite or ice, but her strength and glory are her *Water Power*.
Look at the facts of the case :

WATER POWER MATERIAL.

31,500 square miles of territory planted by the sea, with an exposure maritime on the east, and purely oceanic on the south ; located in the rain draft from the Gulf of Mexico—the vast steaming caldron—at the same time, at the northeast angle of the continent, and so swept by rain-condensing winds from off the cold ocean current on this part of the continental frontier ; and further, with every east and southeast wind, bathed in the vapors of Newfoundland, originating in that great tropical torrent, the Gulf Stream.

Hence the annual rain of Maine sums 42 inches in depth, over three trillion cubic feet in mass, and of this at least 35 per cent is poured back into the ocean through the rivers, or considerably over a million million cubic feet,—the annual sum of Maine's water power material.

The Ohio carries off only 24 per cent of the 41 inches yearly deposited in its basin, the Mississippi only 25 per cent of its 30 inches, the Upper Mississippi (above St. Louis) 24 per cent of 35 inches, the Missouri

15 per cent of 21 inches, the Arkansas 15 per cent of 29 inches, the Red River 20 per cent of 39 inches—not one of them receiving so much downfall as Maine, or discharging anything like a proportionate river discharge.

HOW FAR IT FALLS.

Water-power is water plus gravitation. To give out power water must fall; the greater the fall the greater the power. Now look at Maine.

Where is the White Mountain Highlands? In New Hampshire? Not at all. It is in Maine. The White Mountain "peaks" are in New Hampshire; but they are simply a terminal focus, a ganglion of mountain elevations. But the huge bulk of upland's upreared upon the shoulders of these granite Titans, discloses its mass to the northeastward in and across Maine.

Hence the lakes that serve as the fountains and feeders of the rivers of Maine are upheld at an altitude really astonishing in view of their proximity to the ocean. The Umbagog lakes, from 1,800 to 1,600 feet above tide; that inland sea, Moosehead, 1,023 feet; Chamberlain Lake, 936 feet; Pomgoewahem, 914; Wood and Attean Lakes, 1,094 and 1,142 feet respectively, and so forth for scores and hundreds.

Thus held, their waters are immense repositories of power. Conceive a stream of water, suitably confined, falling plumb 1,200 feet! What a blow it would strike! Conceive the whole surface of Maine flattened to a plane, the sides perpendicular, and then conceive the 1,000,000+1,000,000 cubic feet of water pouring from the brink 650 feet into the ocean! Such is the gross power of the moving waters of this State—2,525,000 horse-power—a power that operates day and night without cessation from one century's end to the other, a power equal to the working force of well-nigh five million ordinary horses laboring for the whole twenty-four hours, or the force of thirty million able-bodied men, likewise working without intermission.

This stupendous power—of which, at least, 1,000,000 horse power can be made available—burns up no fuel, eats no hay or oats, no flour or meat; all it asks for is wooden overshot wheels or iron turbines, and intelligent workers to guide its mighty energies to economical results.

NATURAL STORAGE BASINS.

The power in question is furnished with natural reservoirs of such immense capacity that it can be controlled, made constant against both drouth and freshet, and so equal to the demands of the most extensive manufacturing. Sixteen hundred and fifty lakes within the boundaries of the river basins, and twenty-four hundred square miles of locustrine surfaces, not counting in the hundreds of minor ponds and pools, of which almost every school district has one.

Upon these lakes an average depth of eight feet of storage can be held by dams, as is demonstrated by the facts collected in the Hydraulic Survey of the State, in charge of the writer. Hence the rivers can be made to operate with full power even through the severest drouths. Think of eight feet of storage on a lake 120 square miles in surface, at the head of a river that falls 1,023 feet to the tide, as the Kennebec; or of 77 square miles with 11 feet of storage, at the head of a river that falls 1,256 feet to the tide, as the Androscoggin. Even the little Union river that drains not over 650 square miles, commands already seven feet of storage on thirty-five square miles of lakes, and can have several feet more. The St. Croix, though draining not over 1,175 square miles, has reservoirs not inferior to those of the Merrimac draining 5,000 square miles. In fact, the Kennebec has more lakes connected with it than the Oronoco, and the Penobscot more than the gigantic Amazon or than all the rivers in Africa so far as known.

These great natural reservoirs give the water-power of Maine a vast advantage over the power in any other part of the United States, as Virginia, the Carolinas, Georgia, etc. Minnesota has immense lake surfaces, and lakes held far above the sea. But the fall from lake to sea is not accomplished in her borders, nor, indeed, short of thousands of miles of horizontal run, and of course is not mostly available for power.

Unquestionably, the use of these grand reservoirs will add one hundred and fifty to two hundred per cent to the *natural* low-run power of the rivers of Maine.

COOL CLIMATE.

The climate of Maine is singularly exempt from oppressive heat of more than a day or two's continuance. By consequence, workers in mills and factories can accomplish more than in the more southern and interior districts of the country. The fraction of excess is set by manufacturers of large experience at fully ten per cent. It cannot be otherwise, while in the interior and further south the artisan labors for months in a heat that enervates him, in Maine not over ten days in the whole summer can be called hot; and for much the greater part of the time cool sea winds, all the way from southwest through south and east to northeast, make work a pleasure rather than a burden.

This low temperature is attended with far less waste of the streams than is experienced at the hot season of the year in other parts of the country, and hence the low run of the rivers in Maine is naturally unusually large. During August, when evaporation is elsewhere conducted most vigorously, in this State it is reduced to almost nil by the cool fogs before noticed, which are regarded a most agreeable feature of the cli-

mate, bringing refreshment to man and beast, and clothing vegetation with most luxuriant greenness.

The low temperature in question has the further effect of retarding the melting of snow in spring, and hence the prodigious freshets that, further down the Atlantic slope, as in Pennsylvania, Virginia, Tennessee, etc., spread wide havoc and greatly impair the value of water-power, are unknown in Maine. The dense evergreen woods that cover from 15,000 to 20,000 square miles of the State surface, coupled with the cold sea winds, delay the melting of the snow and ice in the woods until late in May, and hence the mean rise on the lower sections of the larger rivers is from six to ten feet only, instead of ten to twenty, as further south.

UNIFORM DISTRIBUTION OF RAIN.

In Minnesota the rainfall of one quarter of the year exceeds that of another fivefold, in Wisconsin three to fourfold, in Oregon elevenfold, at San Francisco over a hundredfold; whereas in Maine the receipt of moisture is almost the same for each quarter, or ten and a half inches each three months. In such a State the streams never can run extremely low. In such a State only can extensive manufacturing by water power be judiciously undertaken, where large capital is to be invested, numerous hands employed, and where the intermission of a few days from dearth of water would prove ruinous. In such a State, as the streams never run very low, so neither do they ever run excessively high, flooded by the torrents of periodical rains. In such a State accordingly the mills can be placed on low levels to use and enjoy the full head of the falls, without the risk of being carried off or swamped by inundations.

MILL PRIVILEGES.

In the portion of the State thus far explored in the hydraulic survey, about 3,000 mill privileges have been found, some just large enough to run spool machines, last machines, a shingle saw, and some large enough, upon improvement of reservoirs, to run twice the machinery of Lowell, or Lawrence, or Fall River. These privileges will foot up, when developed, at the lowest estimate, 600,000 horse power, four times the power employed in Great Britain, in 1856, in cotton, woolen, silk, flax and worsted manufacture; a power the preparatory equipment of which, if operated by steam, would cost not less than \$90,000,000, and the annual cost of which for fuel, etc., at ordinary New England rates for steam power, would be at least \$40,000,000.

The proportion of this power yet put to use is utterly insignificant. Forty thousand horse power on the Penobscot, in the twelve miles above Bangor, run only a few though giant saw-mills; the "Piscataquis

Rips," on the same river, with at least 8,000 horse-powers, operate nothing at all; likewise the "Rumford Falls," on the Androscoggin, 163 feet fall and 20,000 horse-power, the river bottom and banks and the adjacent land perfectly adapted to improvement; "Livermore Falls," "Lisbon Falls," and the "Pejepscot Falls," on the same river, each summing from 6,000 to 8,000 horse-power; also the "Ticonic Falls," on the Kennebec, 8,000 horse-power. The "Madison-Bridge Falls," "Norridgework Falls," "Carstunk Falls" 5,000 to 7,000 horse-power each—single cases out of dozens—operate either nothing at all, or next to nothing, as compared with their full capacity.

Circumstances have been all the way along against Maine. The "Northeastern Boundary" controversy for years discouraged immigration and kept matters in a turmoil. The political party that formerly for so long a period held the ascendant in the State, opposed with blind fatuity the combinations of capital by which alone power of such magnitude could be improved; and lastly the State neglected to ascertain her resources of power and make them known—known to the benefit of the whole country as well as of herself. Hence the powers are not improved, and their owners have not the means for their improvement. For this reason property of this sort is to be had in Maine at prices merely nominal. Some proprietors stand ready to give outright privileges first class in all respects to responsible parties who will improve them.

The policy of the State is now to the last degree favorable to manufacturers. Towns are permitted to exempt from taxation for a period of ten years all manufacturing capital invested therein, and the towns themselves are ready and anxious to do this, and have already done it or voted to do it, in many cases. The State statutes are most favorable in the matter of flowage, every advantage being placed in the hands of the manufacturer. The people of the State generally are anxious to have its vast resources of power put to use, and stand ready to co-operate to the full measure of their ability.

ACCESSIBILITY.

It is not to be left out of sight that the water-power of Maine, in point of access to the world at large, and the great trading centres of this country in particular, is most favorably located. The great steamship route across the Atlantic leads close along the coast of the State, and indeed, already makes one of her ports an important point of access and departure. Any railway across the Continent, built so as to accommodate trans-Continental traffic, must pass through Maine. On the Saco, river 20,000 horse-power in its lower section, on the Androscoggin 80,000, on the Kennebec 80,000, on the Penobscot 60,000, are already

by rail within four to twelve hours of Boston. At least 75,000 horsepower more are located immediately upon navigable waters, so that vessels could load and unload direct from and into the mills. The great tides of the coast of Maine keep the borders clear of ice to a remarkable extent, and coasting steamers could thus, or do now, bring these privileges within fifteen hours of Boston and thirty of New York.

A WAY OF RETURN TO SPECIE PAYMENTS.

A pamphlet was published in New York some months since bearing the title "A Plan for the Gradual Resumption of Specie Payments." It stated that the views it presented had met with hearty "approval" from "business men qualified to judge." And this gives me ground for noticing it. It proposed that after April 1st, 1868, gold shall be paid for legal tender notes at the rate "one dollar in gold for one dollar and thirty-three cents in said notes:" after July the rate to be 130, and so decreasing until January, 1874, when the paper would be at par with gold. All gold coin received by the Treasury to be retained—1st, for payment of interest on the public debt—2nd, to redeem the greenbacks. Some other provisions looked to exchanging the national bank notes for greenbacks and to the disposal of the redeemed paper.

A bill offered in the last session of Congress by Mr. Broomall, of Pennsylvania, had, in part, the features of the "plan." It proposed to stop contraction and to substitute the redemption of notes when presented in sums of less than 100, at 140 per dollar of gold during the first month, 139½ during the second, and so on until gold and notes became of equal value, which would be in six years and eight months. The good point in both these plans is that they looked to an early resumption of specie payments. This, in any reasonable way, will be a great gain. Simply establishing a price for gold would be of immense value, because its fluctuations diffuse uncertainty through all branches of business. To be relieved from the uncertainty that besets even the immediate future now, so that no one knows what an hour may bring forth—to be able to see what gold will be one month, six months, even two or three years ahead—what unspeakable gain! What prices would be paid for such knowledge now! What fortunes might it not make or save from loss!

Of the two modes, Mr. Broomall's seems much the better. The decline in gold should be as uniform as possible, and the variations reduced to a minimum—for this would beget an equally gradual change in prices to conform to the gold standard. The slight changes in value would also promote uniformity in the rate at which paper would be presented for

redemption—for the gain from holding would make the interest only enough to prevent its being parted with unnecessarily, yet not enough to induce hoarding or to bring it into competition with the usual gains of money or profits of business.

The variations in the gold rate being so small would offer no inducements to speculation, and thus one of the chief disturbing causes in the market would be removed. Mr. B.'s rate of reduction is perfect in its way, approaching closely the equable changes that follow the grander operations of the laws of Nature. The time it would require would not protract unduly the ills of a transition state, nor enforce changes too rapid to be safe: they would be so minute as to be scarcely perceptible from day to day. But our chief concern with both the plans lies in the objections to them.

The first is, the utter uncertainty in which the Treasury would be left as to the amounts of paper against which it must provide gold, at any one time, and the want of any sufficient provision by which the Treasury is to be supplied with gold enough to meet a very uncertain, but possibly very great demand. Mr. Broomall simply says: "Less than \$100 must be presented at one time." The New York plan has not even this limit; it only requires that the exchanges shall be made in New York. At the outset will 5 or 10 or 100 or more millions be wanted? Who can tell how little or how much? And in this doubtful case a maximum and not a minimum supply of gold must be provided before the Treasury doors are thrown wide open to all comers. For the Treasury must be placed in the position of a bank with an equal circulation. It will have the same responsibilities, and be exposed to the same risks. In fact the *average* demand for gold of such an Institution, at the commencement of specie payments, would probably be largely exceeded—a risk to guard against which a large supply of gold must be secured.

When the Bank of England resumed specie payments, its paper was, in round numbers 96 millions of dollars—its gold over 58 millions—a proportion of $\frac{4}{5}$ to 1. Its common average is one-third of gold in proportion to its notes—at times more than one-half. Any such proportionate supply for us would take some millions of gold—and, certainly not much less than that amount should be held, beyond what the interest on the public debt calls for. How is this to be obtained except by hoarding the gold revenue? Strong complaints are made now because the Treasury keeps so much gold locked up in its vaults.

Will not these complaints have more emphasis as gold accumulates? If we cannot bear the abstraction of 100 millions—how are we to endure that of 300? For as the Treasury becomes surfeited—the community will be depleted and gold becoming scarcer will grow dearer. As it

rises—other things will follow in its wake. Business will revive—speculation become more active—the general prosperity will seem to increase—the bubble rising higher and higher until it bursts—and burst it must. For all this will go on in the face of preparations for resuming specie payments. The doubtfulness of the future favors the gambler and operations for a “rise,” will be engineered, even in view of a speedy decline. But the first day of changing paper into gold would bring a downfall in prices rapid and ruinous in proportion to the inflation, and we should find our brief prosperity dearly bought by aggravated loss and depression.

Adam Smith thought that a bank could be carried on as specie paying, with gold as 1 to 5 of its paper. And Mr. Ricards thought gold as 1 to 8—would answer. And we know that many of our “Wild Cat” machines were “run” with a much smaller proportion than that. We know also what has so often been the merited end of such arrant shams.

But our Treasury Bank must have nothing of the “Wild Cat” in its composition. It must be pre-eminently safe—and, like Cæsar’s wife, above all suspicion. It must, as absolutely essential, keep an ample supply of gold beyond the demands for interest on the public debt.

For doubts of the prompt payment of that, would be ruinous to the National credit, at home and abroad. Bonds would decline, and forced back on the home market, would further drain away our gold—and the end would be renewed suspension. Risks that might ordinarily be run by a bank cannot be adventured by the Treasury. For every uneasy throb would vibrate through the whole community—every slur upon its credit would be a national injury.

We have now a sufficient reserve kept in the Treasury to inspire confidence in the regular payment of interest on the Bonds. But let us begin to pay the Greenbacks in gold—with only a small addition to that reserve—and what could be more absurdly fatuous? How long would it take, with nearly 400 millions of paper afloat to draw every dollar out of the Treasury? We say most emphatically we *must not* run any such risk. The Nation’s credit, and honor, and welfare alike forbid it!

Let us not count on the forbearance of the people in keeping back the paper money—and so facilitating the work of government. When no man can tell what his neighbor will do, what inducement is there to sacrifice his own interest or convenience when it may only profit others without helping the Government? The Public Treasury is a very fine pigeon to pluck, and judging by the common readiness to engage in that operation, we should look for little self-sacrifice in its behalf. It must expect the common fate. While its means are seen to be ample its credit will be good—its work easily done. But let its soundness come in question, and its credit will suffer, and its gold be drained in the usual fashion.

We think these are most weighty objections to the Treasury being made to fulfill the functions of a common bank. It should bear no such character. In resuming specie payments, we want, so far as the government is concerned—simply to enable it to pay its now dishonored obligations—to do that speedily and rapidly, leaving to other more appropriate agencies the task of supplying and regulating the monetary concerns of the community. The Public Treasury should be merely the depository of the public monies, and the payer of the nation's debts: and in that capacity it should be able to show to the whole world, that at any and every time its means on hand are ample for all known and probable demands. This position is essential to full and entire confidence in our ability to pay every debt when it matures. Now, the banking function, if added to it, instead of giving strength to the Treasury, would only be an element of weakness and uncertainty, a prolific source of doubts and fears; an agency ever affected by the changing aspects of commercial life, liable to be abused for political ends, and requiring the wisest and most steadfast management to keep it unharmed, amid the storms and trials of monetary crises which are sure to arise in the unknown future.

A second objection to the plans is that they would much retard the very first object to be gained by specie payments, viz., the diffusion of coin among the people at large as currency instead of the paper trash now in use.

It is mainly—indeed almost entirely—for the small daily trade of the community, that coin is required as a safe currency. But let specie payment be resumed with no limitations beyond those proposed, and what would result? That all parties needing gold for foreign account, or for home transactions of any magnitude, would be among the first to avail themselves of the change; and they would offer for redemption bills of the largest denominations, because attended with the least trouble. The small bills and fractional currency, being more widely scattered, would come in slowly. Thus, while the large bills would be readily absorbed, the smallest would be the last to go out of circulation, exactly the reverse of what ought to occur.

Another objection is the prevention of any reduction of the volume of the currency. The New York "plan," "approved by business men qualified to judge," even proposes to increase it, and would, if we understand it, permit the present amount to be doubled under certain circumstances. The bill of Mr. Morton, of Indiana, recently offered in Congress, providing for return to specie payments, differs from the plans already noticed; but is liable to the great objection that it defers specie payments for two years and a half, and requires the continued withdrawal of gold from the community until enough is accumulated to resume payments in full, and it

subjects the Treasury to the anomaly of a banking function with all the risks and uncertainties thereto attaching. Mr. Morton also objects to legalizing coin contracts—a measure, which we think, could do no possible harm, because the matter would be one entirely of individual choice—while so far as the practice was adopted, it would be resuming specie payments. In my judgment, contraction of the currency is essential to permanent improvement in our financial affairs. We have more money to do our business with than any other people in the world, using the word money to denote all that passes by courtesy under that name or is allowed by law to assume its function, in addition to the gold and silver in the Treasury and in circulation, and held in private hands. We have more than France. And while hers is almost all specie, four-fifths at least of ours is almost wholly paper, the most mobile and active of all currencies. We have about twice as much as England, and yet she has about three times the amount of our foreign commerce, and more than twice our wealth—36 thousand millions to our 16. And over 11 thousand millions of our total are to be credited to real estate, the least mobile of all forms of wealth and demanding the least currency to represent it; while England has about \$6 50 of paper money per capita of population, and France \$5 50, we have about \$1 20. We have ten times as much money as explained above per head now as we had in 1790, and three times as much as we ever had previous to 1850. Not merely three times as much money, but three times as much per head of the whole population. No currency in the world shows such excessive and continued increase. Were it a genuine measure of our added wealth, we might well rejoice; but it is now a mere evidence of debt, and might well be taken rather as a sign of poverty than of riches.

In the decade from 1850 to 1860 we had experienced the full effects of California gold in raising prices and augmenting the currency. We had increased our paper circulation 52 millions and the gold in the banks $35\frac{1}{2}$ millions—the two items rising from $203\frac{1}{2}$ to $290\frac{1}{2}$ millions, an increase approaching 50 per cent. In addition to this was the specie held outside the banks not far from 175 millions, the total of specie being estimated in the Finance Report for 1861 at 275 millions. This certainly gave us an ample currency sufficient for our wants for years to come. And yet it amounted to but \$14 50 per head of population, including all the gold and all the paper. To-day should we add the gold lying latent in the community and that in active use to our paper, we should more than *double* that amount. And yet to-day we are, as a nation, much poorer—witness our debt and our last war, to speak of nothing else—than we were in 1860, and, therefore, ought to have *less* money instead of more!

We are suffering now, not from scarcity, but from plethora of money. Our prices show a large general advance beyond those of 1860, and the result is, that we cannot compete with other nations, and our industries on all hands are suffering and declining. This rise in prices is due beyond any peradventure to the inflation of our currency, and the remedy for these high prices and the evils flowing from them lies in reducing the currency to a more normal amount, and not in adding to it, as some of our public men demand.

I cannot at present pursue this argument further, nor notice other points of objection, as I desire to present a plan of resumption, that appears to me feasible.

Any plan, to be sufficient, should secure the following points :

1. A definite and very gradually declining price in gold.
2. An early commencement of specie payment.
3. Precision and certainty and consequent safety in the steps taken by Government for that end.
4. Immediate provision of a metallic currency for the smaller business transactions, and common wants of the people.
5. A reduction of the volume of the currency.
6. A gradual decrease of the national debt.
7. Release of the Government from its anomalous position as issuer and controller of an irredeemable paper currency.

When, in 1819, "Peel's Bill" was passed, providing for return to specie payments by the Bank of England, it established a price for bullion from February 1st, 1820, to October 1st, and a lower rate from October to May first, 1821. After that its notes were to be redeemed in bullion at the old mint price, a still further reduction, and 2 years from May it was to pay its notes in coin : resumption being thus completed in about three years. But the Bank, being largely provided with gold, began to pay it out in 1821.

The feasibility of establishing a sliding scale of decline for gold is proved by this instance. The same theoretic a-priori-objections existed then that may be supposed to exist in our case, and yet, once begun, the desired end was gained, maugre all objections, and sooner than any one expected.

An improvement in the mode would be to adopt Mr. Broomall's scale of decline of $\frac{1}{2}$ per cent per month, as better adapted to secure gradual and uniform changes in all business affairs. But merely enacting a law will not make a price for gold. That can only be done by the Treasury's being prepared to pay in gold at the appointed rate. And its disbursements, in carrying out the other features of this plan, will be ample to completely control the gold market, and so will make the law a vital fact. Return to a gold standard is so desirable that it cannot be too soon commenced.

No single step could place the national credit on so good a basis—would do so much to enhance the value of our bonds, or to place business on a sound foundation, or to restore prices to their proper level. The mere commencement of the process would be full of hopeful augury for the future. It would sweep away a cloud of doubts and uncertainties that seem to overhang us now. It would mark a definite policy, which, once known, would be readily conformed to. But the end we must gain step by step. We cannot at once meet the demand from 400 millions of paper without incurring too many risks; but we can, without difficulty, find gold for 30 or 50 millions of paper.

The Bank of England began to pay specie in 1817. It offered coin, first, for all the £1 and £2 notes of a certain date. Finding the demand small, it extended its payments to all notes issued previous to a certain date. This was done according to the report of the Lord's Committee, "in the hope that the complete resumption of cash payments would take place gradually, and, as it were, insensibly."

An unforeseen drain of gold prevented this plan from being completed at that time. Let such a gradual method be adopted. Let 30 or 50 millions of gold be provided by the requisite taxation, annually, with which to make payments in specie. With so small an amount to provide, this could commence almost so soon as an act could be framed for the purpose. And the Treasury, knowing beforehand just what it must provide, all uncertainty and risk would be taken from its operations.

And let the first step be—redemption of the fractional currency. The 2d, absorption of the \$1 notes, followed by the 2's, 3's, 5's, and so on—the largest denominations being cancelled last; such portions of each issue only being taken as the appropriation will provide for. And to ensure the speedy destruction of the currency and small notes let them cease to be received after a certain date.

While the smallest paper money of England is \$25 and of France \$20, we, with the greatest gold producing country in the world can pay even 3 cents in paper! It would be a lasting benefit to change this trash into silver and gold. And probably the change never could be so easily effected as now, when the measure would have nothing local or sectional about it, but would be a common blessing to the whole community, and the Government itself would be the agent in effecting it.

With the gold premium at 40, and a declining rate of $\frac{1}{2}$ per cent a month, the average reduction in a year would be 3 per cent, making paper exchangeable the first year at 37. At this price 50 millions of gold would retire \$68,500,000 of paper; the 2d year \$65,500,000, and so on, until in 5 years 300 millions of paper will have been cancelled, at a cost of 237 millions of gold, which sum would then constitute the amount of

our specie currency—nearly the same amount as existed in the country in 1860. Of course beginning with a lower price for gold the same result will be gained more quickly, 100 millions or less of legal tenders would still remain. Let these be funded, and in such a way as to make the reduction of the currency uniformly 2 millions a month. By the first process indicated \$68,500,000 of paper will have given place to 50 millions of gold, making a reduction of $18\frac{1}{2}$ millions. But each succeeding year the reduction will be less by 3 millions. Let funding proceed on the opposite ratio. Beginning with $5\frac{1}{2}$ millions, to make the total for the first year 2 millions per month, let 3 millions more be added each year. At the end of 5 years, when 300 million will have been changed into gold $57\frac{1}{2}$ millions will have been funded. Any residue could be retired at the same rate until all the legal tenders ceased to exist. We should then have 237 millions of gold and 300 millions of notes of the national banks—100 millions more than we had in 1860. This seems to me an excess to that amount; but once our currency is largely metallic, and specie payments are restored, and the natural laws that should govern the quantity of currency are left to operate freely, if an excess, it would gradually drop out of use. A change in our law by which the banks should be made to follow the rule of the Bank of England in issuing notes would at once regulate the quantity by the public need and give greater security to their issues.

The Bank of England can issue but fourteen millions sterling on the basis of government securities. Beyond that sum, every note must have its equivalent of gold in the bank vaults. On this basis, her note circulation varies so little, that in 1821—47 years ago—it was almost exactly the same as now. And yet, since then, she has grown steadily in population and wealth, increasing her numbers from 12 to 30 millions and her foreign commerce 500 per cent; still money was never so abundant there as during the past year. Let our banks issue 100 millions on the basis of national bonds; but beyond that let them be obliged to hold \$1 of gold for every dollar of paper issued. Then, if it were found that 200 or 300 millions of paper were required, they could be emitted; and yet, whatever the amount, the public would be amply protected.

But while the Treasury is absorbing paper and substituting gold, what will be the effect on the national bank issues? They will not be affected differently from the legal tenders which are not called in. They will have just the same relative value in the market as they have now. If the legal tenders, not subject for the time to be called in, appreciate in value, as they assuredly will, the national notes also will appreciate, and for similar reasons. Simple diminution of the quantity of paper money would enhance the value of what remains. Moreover, as gold will abound more

and more in the community every year, a fund will thus be provided from which the banks can draw, to resume cash payments. Their own interest would prompt them to do this so soon as possible; should that fail to move them, it could be made compulsory.

The initiative in specie payments seems evidently to lie with the Treasury. It alone has, through the government it represents, the requisite control over the supply and disbursement of gold. It can, if necessary, collect more revenue in gold. It can, by the conversion of 50 or even 30 millions annually, entirely control the price of gold, in conformity with any rate of decline that may be adopted, and thus can secure that uniformity of reduction that is almost as essential as the reduction itself. And there is gold enough in the country to admit of the course suggested. In 1860, we had, according to the Director of the Mint, who was aiming to show, not *how much* we had, but that we had not so much as had been supposed—285 millions. Tables show, since 1860, of imports and home production, an addition above exports of some 180 millions. Allowing 55 millions of error—no small mistake—and we have 400 millions*. But let it be only 300, and that is ample to carry out this plan. Government's action would take nothing away—would not leave the nation one cent the poorer—but make it all the richer in good money and good repute. It would merely call into activity what now lies latent. It would convert what is now only merchandize into a most stable and valuable currency.

And the work can be commenced at once, just as well as ten years hence; ten or twenty years hence, the objections to a government accumulation of gold enough to commence cash payments on an unlimited scale, would have the same force as now. Some gradual plan seems the only course left open to us. And there is nothing to prevent some well digested method from being adopted at once, if differing views can only be sufficiently reconciled.

To sum up briefly the advantages of the plan proposed:

It ensures a fixed and gradually declining rate for gold, and thus gives steadiness and security to business.

It makes possible an almost immediate return to specie payments.

It secures entire safety to the Treasury in the operation.

It will reduce the currency moderately, and yet allow it, if found necessary, to expand with entire safety to the community.

It will reduce the public debt annually 24 millions, and, while doing that, will rid us of an irredeemable paper currency, and substitute a sound metallic one.

* We have shown in a previous number of the MAGAZINE that the writer is in error on this point of the Gold Supply.—H. HUNT'S MERCHANTS' MAGAZINE.

It will free us from the anomaly and discredit of our government's keeping a bank of the "wild cat" order, whose issues represent, not value in hand, but debt that cannot be paid.

And if, in addition, the banks are put on the solid specie paying basis suggested, we shall have a safer and better currency than ever before.

And all this will be done so gradually, and uniformly, with so little jar and disturbance, that, almost insensibly, we shall get rid of a currency representing debt and poverty, and find ourselves established on the solid basis of silver and gold.

H. LAMBERT.

RAILROAD EARNINGS FOR 1868.

The past year has been one of increased prosperity to our railroad interest. This is due in great measure to the abundant crops, which have supplied the necessary through freight east, while the fuller development of the surrounding country is adding greatly to the local business, and giving the roads a more permanent value. From the returns of fourteen roads it appears that there has been an aggregate increase in the gross earnings the past year of \$4,627,661, or over seven per cent. The following are the gross earnings of these companies for December, and also for each of the last two years:

Railroads.	December		Twelve Months	
	1867.	1868.	1867.	1868.
Atlantic and Great Western.....	\$350,837	\$350,000*	\$5,094,421	\$4,724,816
Chicago and Alton.....	350,169	350,073	3,892,661	4,544,123
Chicago and Northwestern.....	918,088	1,001,892	11,712,248	13,429,524
Chicago, Rock Island & Pacific.....	351,600	381,400	4,105,103	4,487,791
Illinois Central.....	613,330	702,618	7,161,991	7,823,463
Marietta and Cincinnati.....	123,333	121,408	1,258,713	1,294,095
Michigan Central.....	330,373	390,971	4,371,071	4,570,014
Michigan South. & North. Ind.....	370,757	426,313	4,613,743	4,994,453
Milwaukee and St. Paul.....	433,325	463,796	5,633,609	6,517,562
Ohio and Mississippi.....	272,053	233,661	3,459,319	2,964,039
Pittsburg, Ft. W. & Chicago.....	573,726	720,278	7,242,126	8,007,763
St. Louis, Alton & Terre Haute.....	171,499	157,379	2,207,930	1,923,863
Toledo, Wabash and Western.....	307,943	320,726	3,733,820	3,952,067
Western Union.....	54,718	45,470	774,657	764,971
Total.....	\$5,206,806	\$5,719,915	\$65,360,912	\$69,182,573

It will be noticed that a large portion of the increase has been over roads running through newly settled country. The Chicago and Northwestern, for instance, shows an increase of \$1,717,286, indicating the profit which is flowing to the company from the new country developed by it. On the Milwaukee and St. Paul there is a gain of \$833,953, but there has been an extension of mileage on this road from 735 miles to 825 miles. For the purpose, therefore, of indicating the actual earnings on each mile of road, we have prepared the following table, showing

* Estimated.

the length of each road, and the gross earnings per mile during each of the two years :

Railroads.	Length m.		Earnings p m.		Diff. 'ee	
	1867.	1868.	1867.	1868.	Inc.	Dec.
Atlantic and Great Western.....	507	507	\$10,048	\$9,319	\$....	\$729
Chicago and Alton*	280	431	18,903	12,801	....	1,101
Chicago, Burlington & Quincy.....	400	400	15,306	15,896	80	...
Chicago and Northwestern	1,152	1,154	10,262	11,657	1,395	...
Chicago, Rock Island and Pacific.....	443	454†	9,297	9,884	587	...
Illinois Central.....	708	708	10,114	11,050	936	...
Marletta and Cincinnati.....	251	251	5,015	5, 56	141	...
Michigan Central.. ..	829	829	12,288	12,924	636	...
Michigan Southern & North. Ind	524	524	8,805	9,713	908	...
Milwaukee and St. Paul.....	785	825	7,783	7,900	168	...
Ohio and Mississippi.....	340	340	10,173	8,718	....	1,455
Pittsburg, Ft. Wayne & Chicago.....	468	468	15,474	17,175	1,701	...
St. Louis, Alton & Terre Haute.....	210	210	10,514	9,161	....	1,353
Toledo, Wabash and Western	521	521	7,262	7,584	322	...
Western Union.....	180	180	4,805	4,241	....	61

In the absence of any returns showing the operating expenses, the foregoing table will be of decided interest, as the expense account must be in a great measure dependant upon the length of road operated. As some test of the relative value of the stock, we give the following statement of the total stock and bonds of each company, with the earnings, for a series of years :

Railroads.	Total stock and bonds Dec. 31'68.	Earnings for			
		1868.	1867.	1866.	1865.
Atlantic & Great Western.....	\$63,060,656	\$4,724,616	\$5,091,421	\$5,476,276	\$5,855,335
Chicago and Alton... ..	10,255,982	4,544,133	3,892,861	3,695,152	3,840,092
Chic., Burlington & Quincy.....	17,762,780	6,154,647	6,083,133	6,175,553	76,000,000
Chicago and Northwestern.....	48,985,363	13,429,534	11,712,248	9,424,450	7,976,490
Chic., Rock Is. & Pacific.....	22,271,500	4,487,791	4,105,108	3,466,922	3,333,514
Illinois Central....	35,982,704	7,823,463	7,161,991	6,544,741	7,181,203
Marletta & Cincinnati.....	30,620,865	1,294,095	1,258,718	1,201,229	1,224,058
Michigan Central.....	15,446,354	4,570,114	4,371,071	4,260,125	4,520,150
Michl. South. & North. Ind.....	20,727,980	4,984,458	4,618,743	4,150,825	4,226,727
Milwaukee & St. Paul.....	31,454,275	6,517,561	5,683,609	4,552,149	4,100,000
Ohio and Mississippi.....	27,150,001	2,964,039	3,459,319	3,280,583	3,733,06
Pittsb., Ft. Wayne & Chi.....	24,063,000	8,017,763	7,242,126	7,457,218	8,480,062
St. Louis, Alton & T Haute... ..	11,041,000	1,923,862	2,207,920	2,251,525	2,240,744
Toledo, Wabash & West.....	20,000,000	3,952,067	3,783,829	3,694,475	3,924,543
Western Union.....	5,863,093	764,271	774,952	814,036	1,89,389
Total	373,750,552	76,143,220	71,444,045	67,057,672	66,844,711

From these statements it will be seen for instance, that the Chicago and Alton has earned the past year \$4,544,133 on 431 miles of road, (the first six months of the year only 280 miles were run,) and that its total stock and bonds reach \$10,255,982 ; that the Chicago and Northwestern has earned \$13,429,534 on 1,152 miles of road, and that its total stock and bonds reach \$48,985,363 ; that the Chicago and Rock Island has earned \$4,487,791 on 454 miles of road, and that its total stock and bonds reach \$22,271,500, and so on, for all the roads given above. In this manner we obtain a pretty fair idea of the results of the year.

RAILROADS OF OHIO.

The Hon. George B. Wright, Commissioner of Railroads and Telegraphy, has favored us with an early copy of his second annual report relating to the public works of Ohio. An analysis of his first report was published in the MAGAZINE April, 1868, and we then referred

* Since June, 1868, the earnings of the Jacksonville Branch are included in Chicago and Alton returns. † The Chicago and Rock Island Road the last 4 months has been 606 miles. ‡ Estimated for 1865.

to the energy and industry the compiler has brought to bear on his work, and of the readable method adopted in the presentation of his figures. There were certainly faults in the report, but only such as further experience in office would correct, and there were deficiencies which we could not but deplore. The improvements in the present report, however, are apparent and much to our liking. The work contains, besides the reports as sent in by the several companies, extensive tabulations, aggregate and comparative, which will be of great value to the publicist. It also reproduces the general laws of the State relating to railroads and a series of well-written sketches of the rise, progress and present condition of the several lines of railroad, with essays on railroad economy generally, railroad management, free passes, competition rates, taxation, &c. On the whole, the report is an able exhibit of the great interest it embraces, and demands of us a more than usually extended notice. We have therefore prepared the following statement showing the length of the several railroad lines within and without the State separately; the stock of engines and cars in use on the whole of each line, and the number of persons employed in operating railroads in Ohio on the 30th of June, 1868:

Railroads.	—Miles of R. comple'd—			—No. of (8 wheel) car—							Persons em- pl'd in Ohio
	Main.	Branch	Miles in O.	Engines.	Passenger.	Baggage & Expr's.	Tonnage.	All others	Total cars		
Atlantic & G. West.....	337.50	33.66	251.68	155	88	40	3,239	83	3,437	2,114	
Clev. & Mahoning.....	7.50	...	79.50								
Carrollton & Onida.....	2.00	...	12.00								
Cent. of Ohio.....	137.08	...	137.08	40	20	25	299	189	513	1,298	
C. & Ham. & Dayton.....	60.00	...	60.00	34	31	18	427	11	452	757	
Cin. & Ind. (leased).....	21.50	6.70	27.20	..	..	..	..	..	..	218
Cin. Rch. & Chic.....	36.00	6.00	36.00	6	8	8	70	1	77	54	
Cin. Sand. & Clev.....	155.00	15.00	171.00	26	20	9	455	90	614	563	
Springfield & Co.....	20.00	...	20.00								
Cin. & Zanesville.....	132.13	...	132.13								
Clev. Col. Cin. & I—				15	11	6	259	3	273	386	
Bell Fontaine.....	202.60	...	178.40	36	22	10	554	..	588	499	
Clev. Col. & in.....	137.88	50.00	137.88	47	26	10	771	9	816	1,210	
Clev. & Pittsburg.....	133.00	32.00	133.00	66	37	2	1,223	31	1,319	1,137	
Clev. Zanesv. & Cin.....	60.75	...	60.75	5	6	4	151	..	161	123	
Col. Ch. & Ind. Cen.	54.50	...	136.00	126	55	25	1,700	500	2,250	1,020	
Col. & Hock. Valley, (75 miles)	11.00	..	..	..	..	..	..	..	..	..
Dayton & Mich. gan.	142.00	...	142.00	21	8	3	253	10	231	571	
Dayton & Union	31.81	...	31.81	4	4	3	56	6	69	80	
Iron.....	14.00	...	18.00	4	2	..	18	83	118	43	
Junction (Cin. & Ind.)	93.00	25.00	90.00	14	12	5	180	30	227	67	
L. Erie & Louisville (175 miles).....	37.00	...	37.00	8	2	1	25	..	28	50	
Lake Shore—											
Clev. P. & Asht.....	95.53	...	70.00	84	68	31	1,956	107	2,163	2,783	
Clev. & Toledo.....	112.71	43.86	156.57								
Little Miami	84.00	...	84.00								
Co. & Xenia.....	54.69	...	54.69	45	40	24	723	..	757	1,090	
Little Ml. & Co. & X	15.26	...	15.26								
" X. & Bellon.....	42.00	...	39.00								
" and West'n.....	190.80	86.00	276.80	53	24	10	540	..	574	1,437	
Marietta & Cin.....	512.38	...	81.80	99	80	24	1,570	..	1,674	440	
Mich. South. & N. In.	13.00	..	13.00	1	1	1	1	..	3	13	
New Lisbon (31.58).....	349.00	...	19.53	79	39	23	1,201	4	1,266	146	
Ohio & Miss.....	193.00	7.50	124.90	72	31	15	781	70	897	1,144	
Pitt. & Cin. & St. L.	468.90	32.20	239.70	179	121	64	2,584	108	2,847	1,664	
Pitt. Pl. W. & Chic.....	116.25	...	116.25	10	11	4	190	..	215	325	
San Man. & Newark.....	475.00	46.00	73.50	105	47	30	1,144	892	2,113	648	
Toledo Wab. & West											
Total (3,890.67 m.).....	5274.17	339.92	3255.98	1323	808	397	20,512	2,234	23951	19,884	

The total length of railroad, main line and branches, completed and in progress, and reported in the above table, is 5,890.67 miles. Of this length 5,274.17 miles of main line and 389.92 miles of branch line, making a total of 5,664.09 miles, were completed, and leaving out the Columbus and Hocking Valley Railroad, 11 miles, which had not been brought into use at the close of the railroad year, the total length in operation in the year 1867-68 was 5,653.09 miles. Included in this aggregate is 2,408.16 miles of road within the limits of the States adjoining Ohio east and west.

On the 5,653.09 miles of railroad in operation in the year 1867-68, there were in use 1,323 locomotive engines and 23,951 cars of all kinds. This averages to each hundred miles of railroad 23.4 engines and 423.7 cars. The proportion of each kind of cars to the whole number was as follows: passenger 808, 3.37 per cent; express and baggage 397, 1.66 per cent; tonnage or freight cars 20,512, 85.64 per cent; and others (not specifically described) 2,234, 9.33 per cent. These averages and proportions of course vary on the several lines.

The length of railroad in operation in Ohio alone, excluding the Columbus and Hocking Valley Railroad, was 3,244.93 miles. Of this 148.99 was double-gauge road, in connection with the Atlantic and Great Western. The length of second track on six roads was 8,828 miles, and the length of sideways on the roads, in the aggregate, 445.89 miles. The total length of track in use within Ohio was thus 3,928.09 miles. The number of persons engaged in repairs and operations on these roads was 19,884, or about five to each mile of track. These statistics, applying only to the railroads within the State, are of great value, and ought, if possible, to have been given in like manner for the portions of lines beyond the State limit, the cost and operations of which are embraced in the returns.

The total cost of the 5,890.67 miles of main and branch railroad (including 226.58 miles not yet completed) amounted to \$288,269,958, and the equipment (engines and cars) in use on the same roads amounted to \$14,299,916, making an aggregate cost of \$302,569,874. For the total mileage this is about \$51,361, or for completed roads alone, \$53,470 per mile. The cost of the 3,255.93 miles of railroad in Ohio, and the equipment thereon, amounted on the latter average to \$173,935,520.

This cost is represented by paid up share capital \$172,047,542, funded debt \$133,111,294, and floating debt \$8,494,466, or a total capital of \$313,653,302. The proportions of these several classes are: Shares 54.85 per cent, bond 542.44 per cent, and floating debt 2.71 per cent. This exhibits a strong financial position, and indicates a general prosperity not anticipated. More than half of the floating debt reported is

returned for the Pittsburg, Cincinnati and St. Louis Railroad Company, and consists of debts not yet brought into the recent consolidation.

The statement which follows exhibits in detail the amount of stocks, bonds and debts of each company, and the cost of the property owned by them severally :

Railroads.	Railroad Com- pleted.	Stock, Capital stock.	bonds and debt— Funded debt.	Floating debt.	Cost of Prop'y— Aggregate amount.	Cost p.mile.
		\$	\$	\$	\$	\$
At. & St. West.....	436.16	29,598,695	80,000,000	963,514	59,728,894	117,800
Clev. & Mahoning.....	79.50	2,056,750	1,855,800	.....	8,820,326	48,120
Carrollton & Oneida.....	12.00	101,000	.....	2,000	103,500	8,625
Central Ohio.....	137.08	3,000,000	2,500,000	11,200	5,511,200	39,930
Cin., Ham. & Day.....	60.00	2,500,000	2,032,000	389,563	5,971,949	87,866
Cin. & Indiana.....	27.20	500,000	2,000,000	.....	1,894,478	92,414
Cin., Rich. & Chic.....	42.00	874,100	560,000	15,258	939,385	26,094
Cin., Sand. & Clev.....	171.00	8,228,150	2,897,000	.....	5,700,000	36,774
Springfield & ol.....	20.00	(sunk in sale)	.....	.....	846,000	17,800
Cin. & Zanesville.....	132.00	1,669,361	1,000,000	.....	2,969,361	22,474
C. Col. (In. & In—						
Bellefontaine.....	202.60	4,420,000	1,621,000	.....	5,679,812	27,977
Cl. (ol. & Cin.....	187.88	6,000,000	400,000	.....	4,888,530	26,003
Clev. & Pittsburg.....	225.00	5,957,825	4,191,000	.....	10,325,100	51,935
Cl., Zanes. & Cin.....	60.75	(sunk).	253,000	.....	1,575,081	25,937
Col. Ch. & Ind. Can.....	594.50	11,100,000	14,469,524	919,444	21,438,968	44,148
Col. & Hocking Val.....	11.00	412,083	262,500	.....	50,944	46,544
Dayton & Michigan.....	142.00	2,392,761	3,650,500	282,500	6,250,492	44,018
Dayton & Union.....	31.81	76,000	527,445	12,769	599,684	18,853
Iron.....	13.00	132,411	35,000	29,400	314,879	24,221
Junction (Cin. & In).....	123.00	1,726,750	3,526,700	370,634	5,624,085	45,724
L. Erie & Louisville.....	37.00	1,211,700	500,000	9,000	1,720,700	26,330
Lake Shore—						
Cleve. P. & Ash.....	95.53	8,947,650	2,500,000	.....	9,744,874	102,578
Cleve. & Toledo.....	156.57	6,250,000	3,149,125	.....	8,191,592	72,492
Little Miami.....	84.00	3,572,400	1,589,000	.....	3,775,757	41,960
ol. Xenia.....	54.69	1,786,200	248,000	.....	1,482,840	26,961
Lit. Ma. & C. & X.....	.....	.....	.....	.....	951,515	4,855
D., X. & Bel'fue.....	15.26	.....	.....	.....	412,580	27,086
D. & Western.....	42.00	.....	738,000	.....	1,037,719	25,899
Mar. & Cincinnati.....	276.80	14,620,866	6,806,000	483,970	19,808,112	69,737
Mich. S. & N. Ind.....	512.38	11,812,600	9,038,640	.....	18,812,667	36,716
New Lisbon.....	13.00	.....	1,000,000	.....	693,016	50,232
Ala. & Mississippi.....	340.00	23,500,000	3,883,000	.....	27,388,000	80,508
Pbg., C. & St. Louis.....	200.50	5,000,000	4,008,000	4,750,000	13,758,000	71,285
Pbg., P. W. & Chic.....	500.50	11,500,000	12,562,000	153,200	22,999,736	49,145
San. Mans. & New'k.....	116.25	900,225	2,154,000	.....	3,050,225	26,239
Tol., Wab. & W'n.....	521.00	6,700,000	14,449,000	.....	21,149,000	40,502
Total.....	5,661.09	172,017,542	133,111,294	8,494,466	302,569,874	53,420
Proportion for Ohio.....	2,253.98	98,891,000	76,519,256	4,883,895	173,935,520	53,420

The mileage of trains on the same roads at 71,597,786, which is equivalent to 12,500 trains over each mile of road. This is evidently an error, and is explained by the Commissioner, who states that in several instances car mileage is returned instead of engine mileage. The total number of passengers carried was 9,436,416, and the tons of freight moved was (through 4,773,007 and local 6,040,528) 10,813,535. In the transportation of these passengers and this tonnage 622,872 cords of wood and 264,463 tons of coal were consumed. The gross earnings amounted to \$47,118,722, of which \$14,861,784 was from passengers, \$29,001,212 from tonnage, \$2,305,959 from mails and express, and \$936,158 from all other sources. The total expenses for operating amounted to \$32,920,034, and the nett earnings to \$14,198,688. From this amount was paid \$6,963,726 for construction and new equipment and \$3,801,291 for divi-

is. Included in expenses are taxes (State \$1,087,270 and national 7,105) \$1,644,375. The ratio expenses to earnings was 61 per cent the gross earnings per mile of road operated \$8,997. Dividends were on \$63,444,825 of stock, leaving a balance of \$108,602,717 stock out any dividend. The amount of iron laid down to replace worn rail on the Ohio lines, during the year 1867-8, was (new 197 and filled 325) 522 miles, or on the average the renewal was equal to one in every 6½ miles in use. The same rate would thus relay the whole system in 6½ years.

The following table shows the earnings of the several lines and the ratio as to dividends:

Railroads.	Miles operated.	Earnings		Dividends.
		Gross.	Nett.	
Atlantic and Great Western.....	426.18	\$4,873,955	\$1,602,813	}
Grand and Mahoning	79.80			
Iron and Okeana.....	12.00	4,123	1,087 deficit	....
of Ohio	137.09	1,030,545	51,921 "	6
Hamilton and Dayton.....	60.00	1,356,087	210,465	14
and Indiana.....	27.20	204,663	94,687	10
Richmond and Chicago.....	43.00	153,043	12,507 deficit	....
and Cleveland.....	171.00	717,490	273,747	....
Cleveland and Columbus.....	20.00	13,408	3,036	....
and Zanesville.....	123.00	355,854	17,576	....
C. & I. { Bulkington.....	204.00	1,475,900	572,541	7
{ Clev. (Col. & Ind.).....	187.88	1,775,490	510,780	8
land and Pittsburgh	223.00	2,243,183	815,465	8
Zanesville and Cincinnati.....	60.75	165,381	21,909	....
Chic. and Ind. Central.....	694.80	2,036,696	700,733	....
Ohio andocking Valley.....	....	....	....	....
Michigan.....	148.00	987,692	4,399 deficit	....
and Union	81.81	118,430	17,470	....
.....	18.00	64,611	5,944	....
on (Cin. and Ind.).....	127.00	158,376	58	....
Erie and Louisville.....	37.00	46,035	1,076	....
Shore { Lev. P. & Asht's.....	96.53	5,003,618	1,540,301	}
{ Cleveland & Toledo.....	126.87			
{ Little Miami.....	84.00			4.2
{ Col. & Xenia.....	84.69			4.3
Miami & Columbus & X.....	....	1,696,314	263,333	....
Day X. & Cincinnati.....	15.99	....	....	....
Dayton & Western.....	43.00	....	....	....
Ohio and Cincinnati.....	276.80	1,305,473	185,160	....
and N. Indiana.....	113.88	4,863,321	1,080,564	37.0
Lisbon.....	18.00	12,543	2,749	....
in Mass. (pop. 18 mos.).....	240.00	1,946,198	263,784	....
urz. in. and St. Louis.....	200.60	2,338,641	646,461	....
g. Ft. Wayne and Chicago.....	600.60	7,731,301	2,918,676	10
sky, Mansfield and Newark.....	116.35	414,916	124,540	....
o, Wabash and Western.....	521.00	3,782,410	1,086,712	....
Total.....	5,653.09	\$47,118,733	\$14,198,648	....
operation in Ohio.....	3,244.23	27,047,025	8,151,440	....

THE TAXATION OF LOANS AS CAPITAL.

The Assessor of the Thirty-second District has made a very extraordinary demand upon the bankers of his district. Section 110 of the Act of Congress of July 13, 1866, imposes upon bankers a tax of 1-24 of 1 per cent on the capital employed in their business. The Assessor interprets the term capital as meaning not only the capital proper of the banker, but also any amounts he may borrow in the ordinary course of business. In a circular recently issued, he says: "According to the

ruling of the Commissioner of Internal Revenue, money borrowed or received by a bank or banker and employed in his business must be considered capital, and taxed accordingly. All money, therefore, thus borrowed or received and used in banking, not in brokering, as margins upon which tax is paid by stamps, is required to be included in monthly returns of capital." As further illustrating the position taken by the Assessor, the following suppositious case was stated by him recently before the representatives of the boards of brokers: "Suppose A is a banker doing business as a broker. B, a customer, orders him to buy, for his account and risk, say 100 shares of stock of a market value of \$100 per share, at the same time depositing as 'margin,' ten per cent, or \$1,000. A, not having the necessary capital himself, borrows of C, the remaining ninety per cent, say \$9,000 (leaving as collateral security in his hands the certificates for the 100 shares of stock), thus making good at the bank his check for the whole amount of \$10,000, which he pays to D for the stock. Now, what capital has the broker 'employed in his business' in this transaction? It is the whole \$10,000 for which he gave his check to D."

The singular position thus assumed appears to us to involve some very obvious misconceptions. In the first place, the Assessor confounds the business of brokering with that of banking. In the case here supposed, A, the banker, does business as a broker; the money he borrows for the purchase of the stock, he borrows as a broker; in short, he performs no other functions in the transaction than such as belong to the broker and do not pertain to banking. Where then, under the terms of the law, does Assessor Webster find his right to tax such a transaction as that of a banker? In fact, in the above-quoted circular, it will be seen that he explicitly excepts the money borrowed in "brokering" *from liability to the tax*. It is inconceivable how an officer charged with the collection of revenue at the great financial centre of the country should have attempted to give such a forced construction of a statute. His claim amounts to nothing less than a tax upon the whole transactions of Wall street in stocks, gold, bonds, and foreign exchange, averaging \$150,000,000 per day, and aggregating about \$500,000,000,000 per annum, the proceeds of which would exceed \$20,000,000 per annum.

We are willing, however, to believe that the Assessor, in his serviceable zeal, has overstated his own actual purpose, and that he aims to collect the tax only upon capital used in banking. This supposition is consistent with the language of his circular, though wholly incompatible with his oral representations. The question then arises, what does the law contemplate in the phrase, "capital employed in business?" Does it mean the banker's own capital, or, in addition to that, capital he

may borrow! In the ordinary acceptation, the term, when applied to persons, firms or corporations, represents the amount properly owned by them and employed as the basis of their business. Indeed, in the ordinary usage, capital, so far from being 'regarded as synonymous with borrowed money, is used in contradistinction from loans. The borrowed money of a firm, instead of representing its capital, represents its debts; and, in this view, there is a most obvious impropriety in taxing borrowed money. We can easily understand how a firm should be taxed upon what it possesses; but to tax it upon what it owes is a most remarkable invention in the science of taxation. Moreover, even supposing it were allowable to tax borrowed money, it would be a gross injustice to impose the same rate upon it as upon capital actually owned; for the obvious reason that the profit upon the borrowed capital is nominal compared with that upon capital proper.

Again, the Assessor's claim involves a repeated taxation upon the same capital. The money borrowed by the banker is borrowed, say from another banker, who pays the tax upon it as a part of his capital; or it is borrowed from a bank which pays upon it the usual tax imposed on deposits. The banker borrows it, say at 5 per cent, and lends it again to a second party, say at 6 per cent, who also has to pay the tax; the second borrower pays the money in liquidation of the claim of yet another banker, who again lends the money, the receiver being required to pay the tax. These repeated transfers may occur within two or three days, the same actual capital being assessed each time it changes hands; at which rate it would be compelled to pay 1 per cent in every twenty-four days, and 13 per cent per annum. Under such a system as this, temporary loans would be banished from Wall street usage; and bankers, to obviate the repetition of such a ruinous impost, would be compelled to borrow for long periods, with consequent inconvenience to themselves and increased risk to lenders.

Moreover, if *all* the capital a banker employs in his business is to be subjected to this tax, his deposits must be included in the liability, in addition to the tax specifically charged upon them; and we are at a loss to conceive why, upon the Assessor's construction of the law, he has overlooked this important mine of revenue.

This extraordinary claim needs but to be examined to show its preposterous and utterly untenable character. Its enforcement would involve, to a large extent, the suspension of banking, and the injurious limitation of credits in the larger financial operations of the country. The surplus capital which always gravitates to this centre and finds here temporary employment in rapid transfers leaving but a fractional percentage of profit, yet keeping the whole financial machinery in active

motion and sustaining values, would under such an impost remain stagnant, depressing the rate of interest and repressing the spirit of enterprise everywhere. Whatever tends to prevent capital from passing into the hands of another who can use it to better advantage than its present holder tends also to limit its productiveness, to the serious detriment of the whole network of national interests.

We have little doubt that the Assessor finds in his district many attempts to evade the payment of the legal tax upon banking capital; and with such cases he is justified in dealing according to the powers invested in him by law. But unjust returns afford no excuse for an attempt to exact taxes which have no warrant in a fair construction of law, and which, moreover, are opposed to common sense and justice. The case has been referred to Commissioner Rollins by the board of brokers; but the Assessor, instead of awaiting the decision of his superior in office, is embarrassing the tax-payers by demanding the surrender of their books and papers for examination. Mr. Webster's action is a fair illustration of that official disregard of the public convenience and that zeal for forcing a construction of the law against the interests of the tax-payers which in all countries have, sooner or later, made taxation odious.

OUR NATIONAL BANK SYSTEM.

So far as their statistics are published, the quarterly statements of our National Banks for the first Monday in January offer, on the whole, a satisfactory view of the position of these institutions. The most prominent question before the public in regard to our banks refer to the adequacy of their reserves. The law requires that all banks situated outside of the great financial centres shall protect their liabilities by a reserve of fifteen per cent. The banks to which this rule applies are 1,408 in number. Their liabilities amount to 406 millions, so that the reserve required would be 61 millions. The banks actually hold 93 millions, or fifty per cent more than the lawful minimum. Turning now to the banks in the fifteen principal cities, exclusive of New York, we find that the 164 banks have liabilities to protect amounting to 220 millions. Their reserves as required by law must be twenty-five per cent on this sum, or 55 millions. The reserves actually held amount to 71 millions, and are consequently almost thirty per cent in excess. Lastly, we come to our New York city banks, which are fifty-six in number, having liabilities of 208 millions, requiring twenty-five per cent in legal tenders, or 52 millions, as the aggregate of protecting reserves. Our banks actually hold 71 millions, or thirty five per cent more than is demanded.

In these compendious statistics there is abundant evidence to support

sition that the Banking system established under our national currency is stable and firm, and that it fulfills its design of giving us an unbroken chain of Banking institutions whose soundness and solvency compare favorably with those of any other country in the world. The details of the report are summarized as follows:

	No. of banks reporting.	Liabilities to be protected by a reserve of 15 per cent.	Amount required as reserve.	Items of reserve.				Avail. res. - Amount.	Percentage to liabilities.
				Legal tenders.	Specie.	Composed in part of notes and U. S. certificates.	Due from approved banks - balances in the redemption offices.		
.....	46	\$17,739,738	\$2,660,661		\$68,389	\$68,389	\$3,485,919	\$2,660,661	26 7-10
Delaware.....	46	6,400,416	970,567		15,977	25,000	1,041,108	1,567,101	26 7-10
District of Columbia.....	46	2,082,530	310,431		67,704	170,110	991,081	1,228,896	21 7-10
Florida.....	100	23,717,613	3,557,633		688,047	303,086	7,174,932	32,143,558	26 7-10
Georgia.....	6	10,939,101	1,640,140		41,918	145,310	3,107,526	3,294,754	19 6-10
Idaho.....	21	26,772,560	4,015,884		145,410	307,970	8,200,000	6,274,000	26 7-10
Illinois.....	236	19,577,124	2,936,574		686,721	1,572,510	8,200,000	17,511,354	23 1-10
Indiana.....	84	23,367,000	3,505,050		111,004	300,720	3,400,000	6,505,774	26 7-10
Iowa.....	131	6,912,331	1,036,847		116,000	914,110	4,800,000	5,734,110	22 3-10
Kansas.....	11	2,461,591	369,239		6,737	97,000	918,171	1,001,917	26 1-10
Kentucky.....	19	4,708,000	706,200		86,110	61,220	300,973	908,004	21 7-10
Michigan.....	1	1,500,000	225,000		110	0	21,211	225,111	27 4-10
Minnesota.....	17	8,332,141	1,249,821		60,000	10,000	601,767	1,319,588	19 1-10
Mississippi.....	13	4,500,000	675,000		41,400	25,310	604,000	745,710	26 1-10
Missouri.....	6	1,560,741	234,111		80,000	0	74,700	200,111	26 1-10
Montana.....	3	1,000,000	150,000		20,000	0	100,000	200,000	26 4-10
Nebraska.....	3	2,010,743	301,610		64,000	20,000	370,700	1,500,000	26 4-10
Nevada.....	1	600,000	90,000		50,000	0	61,000	270,000	26 1-10
New Hampshire.....	4	1,200,000	180,000	154,000	170,000	0	300,000	604,000	26 1-10
New Jersey.....	3	700,000	105,000	61,100	3,900	0	40,000	90,000	12 9-10
New York.....	11	2,801,000	420,150	620,911	9,000	15,000	214,100	700,100	26 9-10
North Carolina.....	12	3,020,000	453,000	807,225	27,000	1,000	311,700	1,200,000	27 1-10
Ohio.....	121	29,307,071	4,396,051	3,707,400	80,000	410,000	2,602,077	6,500,100	23 9-10
Oregon.....	61	10,414,000	1,562,100	3,363,000	97,500	147,000	1,130,000	2,500,000	21 3-10
Pennsylvania.....	70	14,000,000	2,100,000	1,800,000	120,000	1,500,000	3,000,000	3,000,000	21 7-10
Rhode Island.....	36	6,700,720	1,005,100	911,207	34,893	0	63,000	1,000,000	24 2-10
South Carolina.....	20	4,000,000	600,000	0	0	0	0	0	0
South Dakota.....	64	9,000,000	1,350,000	1,400,000	0	0	0	0	0
Tennessee.....	16	2,400,000	360,000	0	0	0	0	0	0
Texas.....	36	3,000,000	450,000	0	0	0	0	0	0
Vermont.....	3	500,000	75,000	0	0	0	0	0	0
Virginia.....	4	2,500,000	375,000	0	0	0	0	0	0
Washington.....	1	200,000	30,000	0	0	0	0	0	0
West Virginia.....	1	200,000	30,000	0	0	0	0	0	0
Wisconsin.....	1	150,000	22,500	0	0	0	0	0	0
Wyoming.....	1	200,000	30,000	0	0	0	0	0	0
Total.....	1,000	\$68,120,544	\$10,312,200	\$8,644,021	\$219,000	\$681,000	\$4,000,000	\$21,900,000	26 9-10

	No. of banks reporting.	Liabilities to be protected by a reserve of 15 per cent.	Amount required as reserve.	Items of reserve.				Avail. res. - Amount.	Percentage to liabilities.
				Legal tenders.	Specie.	Composed in part of notes and U. S. certificates.	Due from approved banks - balances in the redemption offices.		
.....	46	\$17,739,738	\$2,660,661		\$68,389	\$68,389	\$3,485,919	\$2,660,661	26 7-10
Delaware.....	46	6,400,416	970,567		15,977	25,000	1,041,108	1,567,101	26 7-10
District of Columbia.....	46	2,082,530	310,431		67,704	170,110	991,081	1,228,896	21 7-10
Florida.....	100	23,717,613	3,557,633		688,047	303,086	7,174,932	32,143,558	26 7-10
Georgia.....	6	10,939,101	1,640,140		41,918	145,310	3,107,526	3,294,754	19 6-10
Idaho.....	21	26,772,560	4,015,884		145,410	307,970	8,200,000	6,274,000	26 7-10
Illinois.....	236	19,577,124	2,936,574		686,721	1,572,510	8,200,000	17,511,354	23 1-10
Indiana.....	84	23,367,000	3,505,050		111,004	300,720	3,400,000	6,505,774	26 7-10
Iowa.....	131	6,912,331	1,036,847		116,000	914,110	4,800,000	5,734,110	22 3-10
Kansas.....	11	2,461,591	369,239		6,737	97,000	918,171	1,001,917	26 1-10
Kentucky.....	19	4,708,000	706,200		86,110	61,220	300,973	908,004	21 7-10
Michigan.....	1	1,500,000	225,000		110	0	21,211	225,111	27 4-10
Minnesota.....	17	8,332,141	1,249,821		60,000	10,000	601,767	1,319,588	19 1-10
Mississippi.....	13	4,500,000	675,000		41,400	25,310	604,000	745,710	26 1-10
Missouri.....	6	1,560,741	234,111		80,000	0	74,700	200,111	26 1-10
Montana.....	3	1,000,000	150,000		20,000	0	100,000	200,000	26 4-10
Nebraska.....	3	2,010,743	301,610		64,000	20,000	370,700	1,500,000	26 4-10
Nevada.....	1	600,000	90,000		50,000	0	61,000	270,000	26 1-10
New Hampshire.....	4	1,200,000	180,000	154,000	170,000	0	300,000	604,000	26 1-10
New Jersey.....	3	700,000	105,000	61,100	3,900	0	40,000	90,000	12 9-10
New York.....	11	2,801,000	420,150	620,911	9,000	15,000	214,100	700,100	26 9-10
North Carolina.....	12	3,020,000	453,000	807,225	27,000	1,000	311,700	1,200,000	27 1-10
Ohio.....	121	29,307,071	4,396,051	3,707,400	80,000	410,000	2,602,077	6,500,100	23 9-10
Oregon.....	61	10,414,000	1,562,100	3,363,000	97,500	147,000	1,130,000	2,500,000	21 3-10
Pennsylvania.....	70	14,000,000	2,100,000	1,800,000	120,000	1,500,000	3,000,000	3,000,000	21 7-10
Rhode Island.....	36	6,700,720	1,005,100	911,207	34,893	0	63,000	1,000,000	24 2-10
South Carolina.....	20	4,000,000	600,000	0	0	0	0	0	0
South Dakota.....	64	9,000,000	1,350,000	1,400,000	0	0	0	0	0
Tennessee.....	16	2,400,000	360,000	0	0	0	0	0	0
Texas.....	36	3,000,000	450,000	0	0	0	0	0	0
Vermont.....	3	500,000	75,000	0	0	0	0	0	0
Virginia.....	4	2,500,000	375,000	0	0	0	0	0	0
Washington.....	1	200,000	30,000	0	0	0	0	0	0
West Virginia.....	1	200,000	30,000	0	0	0	0	0	0
Wisconsin.....	1	150,000	22,500	0	0	0	0	0	0
Wyoming.....	1	200,000	30,000	0	0	0	0	0	0
Total.....	1,000	\$68,120,544	\$10,312,200	\$8,644,021	\$219,000	\$681,000	\$4,000,000	\$21,900,000	26 9-10

Table for the redemption of circulating notes.

Table for the redemption of circulating notes.

We regret that the reports before us have not been made out by the Comptroller in such a form as to show the aggregate circulation side by side with the other statistics. There is, however, this reason for their present form : The public interest has heretofore centred more in the solvency of the Banking institutions than in their efficiency as issuers of currency. The controversies which have arisen as to the unequal distribution of the circulation are however assuming an activity which threatens to eclipse for a time all the other topics of banking importance. These difficulties we hope will be adjusted without any attempt to increase the circulation of the banks beyond the 300 millions authorized in the law.

We have assumed in this article that the sworn statements of the banks, from which are taken the figures we have cited, are faithful and impartial records of their average condition. This is not strictly so. The banks are known to "prepare" for the quarterly statements. That is, they take care to have a strong statement to show, and they gather in greenbacks and make other dispositions of their assets so as to accomplish the purpose in view.

How far this abuse might tend to give a false impression of the position of the banks we have often pointed out. The broad margin of excess in the reserves of some of the banks may be due in some measure to this cause. But there is still ample evidence of the strength of our banks, as Mr. Hulburd, the Comptroller, assures us. Congress, we trust, will adopt the suggestion we have often made, and prevent the banks from "preparing" for their quarterly statement, by requiring it always to be made for a past day, just as was formerly done under our New York State bank system. If the banks do not know beforehand for which day their statements will be required, they will be under constant pressure to keep their business in a sound, equable condition, and the average state of the banks will much more nearly correspond with the report.

THE SOUTH AND THE NEXT COTTON CROP.

The approach of the planting season in the South, and the policy to be pursued with regard to the next crop, are matters of more than local interest. In fact to the whole community, North and South, everything connected with the cotton crop of 1869 is a subject of the highest importance. Nor is this interest confined to our own country. The cotton manufacturers and consumers of Europe and the cotton producers in India, Egypt, and other places will find their industry seriously affected for good or ill by the prospects and results of the coming season. "King Cot-

ton," for a dethroned monarch, still exercises a decided and positive influence in the world; and this influence seems to be increasing rather than diminishing. At no former period have the prospects of this staple elicited a deeper or more general concern.

The action, therefore, of the South in reference to the new crop is of the first importance. No backward step should be taken, but the same intelligent course which has produced such remarkable results the past year should be continued the coming season. It has abundantly demonstrated the vitality of the South and the possibility of raising cotton more successfully by freed labor than by slave labor. All that is needed now is that the lessons of the past three years be not lost, in order that the South may retain the vantage ground it has gained, and enter upon a new career of social and industrial development and prosperity.

At the close of the civil war the single element of labor was about the only means remaining in the South of recovery from the industrial prostration in which that section was left. But even this resource was sadly deficient. The freedmen were badly demoralized, insubordinate and pretentious; and, at the same time, the white population was exhausted, angry and jealous. All classes were utterly broken down in spirit, while there was no money or credit anywhere. In this extremity the planters turned to cotton as their only hope. Prices had been high, and it was thought that they would continue so, and on the basis of the then ruling rates contracts were entered into and plans made for the year. It is scarcely necessary to repeat the disasters of that and the succeeding seasons. The result of the policy pursued was, that, during the winter of 1867, a cry of famine arose from the most fertile districts of the world, and the little remnant the war had left appeared to have been lost. Relief was sent, and the danger passed away, leaving a severe experience, which has resulted however in the greatest good to that section of our country; enabling them, in fact, to raise a crop of cotton at about ten cents per pound, and to sell it at more than twenty cents. Over two hundred and fifty millions of dollars will pass into the South from cotton alone this season, placing the planters in a position of comparative independence.

In tracing the causes of the success of 1868, as contrasted with the disasters of the preceding years, we find the clearest indications of what should be the policy of the South in the immediate future. Failure at first was not the result of deficient crops, but rather of the acts of the freedmen and the planters themselves. Capital, to be sure, was shy and distrustful, and could only be obtained with difficulty and at high rates of interest or on extremely unfavorable terms. Labor also was demoralized. In very many cases the freedmen, having newly tasted the sweets of liberty, refused to work, or, if they worked it was with a great lack of

energy and efficiency. They could not see the necessity for work, and it required the bitter hardships of the winters of 1866-67 to bring them to their senses. The planters, too, needed a certain kind of experience. They had seen cotton at high prices for a long time and concluded it was to remain so. Consequently they bid high for labor and put into the ground nothing but cotton. When, however, they began to market the staple, as prices had fallen to a decidedly lower level, it was found that it did not return them the cost of raising it. Corn and wheat they had neglected, and it was the bitter experience they then passed through as a consequence of this neglect which showed them its folly and led them to a wiser course the past season. Thus suffering and an identity of interests brought all classes together as they never before had been, showing the freedman if he would eat he must work, and the planter that he could not depend upon exorbitant figures, but must hire his labor so that he could raise his crop at a reasonable figure, and must give up a portion of his time and land to food products. If this crop of cotton had cost as much as the previous ones, or if the South had raised no food, they would have been compelled to force the staple upon the market to get themselves out of debt or to provide the necessities of life, and very little benefit would have resulted to them from the improved rates. On the contrary, the planter is now clearing over ten cents per pound, and the South is making millions of dollars, placing them, as we have before stated, in a position of great strength for the new year.

We have, then, in the experience of the past, an unmistakable indication of the course that should be pursued by the South in order that the advantages she now possesses may be maintained. First, then, it is of the highest importance that the planter should not be led by present prices to contract with the freedmen at exorbitant rates. The crop must be raised economically and cheaply, for there is no wisdom in supposing that it can be marketed except at a figure very much below present quotations. It must be remembered that the prices now obtained act as a premium for the cultivation of cotton throughout the whole world. Largely increased supplies are likely, under this stimulus, to be raised in India, Egypt, Brazil, and other places, and although the consumption is steadily increasing, a decided reduction in the rates must be the result of this eager competition in production. We notice that there is some indisposition among the freedmen to contract for last year's wages. This is right where he is worth more; but for the planter to agree now to pay an exorbitant rate, just because cotton at the moment is high, would be only to ensure for both parties disappointment and loss—in fact, to check the prosperity which the past year has begun to develop throughout the South. Then, again, it is of the greatest importance that as

much wheat and corn and provisions be planted as was planted the past year. It is desirable that cotton should be the leading, but not the only production. A disregard of this idea was the error of the first years after the war, and short breadstuffs crops in Europe put up the prices of corn and wheat to figures which resulted in the fearful distress of the winter of 1867-8.

We think a little caution now on these points would be of inestimable value to the South for years to come. Not that we desire a *small* crop of cotton to be raised,—for we believe the true interests of the cotton States demand a large crop and low prices, which will drive out competition—but simply that the greatest economy in production be used, no contract for labor based on present rates for cotton be made, and a sufficient supply of food products be put in to make that section independent of others for their daily bread. The observance of these precautions will ensure a prosperous year for the South, and do much towards imparting activity to the industries of the whole country.

TUNNEL RAILROADS FOR NEW YORK.

Until within the past few weeks, it was generally believed that the work of tunneling Manhattan Island, for the purpose of establishing underground railway communication between the different sections of the city, was soon to be begun. The charter granted by the last Legislature to a company formed for that purpose, conferred the necessary authority to undertake the work; and as the corporators were well known as responsible and wealthy citizens, it was confidently predicted that the work would be fairly inaugurated before the close of 1868. It appears, however, that in the enabling act there were several unnecessary conditions and restrictions, which prevented the complete organization of the company, so that the act itself was allowed to expire by limitation on the first of January. The subject, however, is again before the Legislature, in the form of an application for an extension of the charter, unrestricted by those conditions with which the organizers of the original company—though we believe acting in good faith and with a determination to carry the undertaking through—found it impossible to comply. In view of the great value of such a work to both city and State, the Legislature should promptly grant the request thus made, or adopt at once some better plan for an underground road, so that the work may be begun and completed as rapidly as circumstances will permit.

It is impossible to over-estimate the importance of this long needed improvement. We have frequently referred to it in these columns, but it is a subject of such vital interest, not only to the residents of the city but to the commerce of the whole country, that it cannot receive too frequent attention. As a means simply of rapid transportation of passengers between New York and its outlying suburbs, it is becoming almost indispensable. The necessarily slow rate of speed permitted on surface roads, renders a passage of even a few miles a tedious and disa-

agreeable ride ; and in consequence of the time lost in going back and forth, many are cut off from the privileges and advantages which the better air and cheaper rents of the outskirts of the city afford. This, perhaps especially affects the laboring classes, whose necessarily early hours require them to spend the least time possible in going to and from their homes. Hence they are compelled to seek accommodations where they are scarce and rents are high, and where their children are surrounded by associations debasing and ruinous. But aside from the moral aspect of the question—which is by no means to be overlooked or forgotten—the deprivations suffered in being cut off from low rents is very serious, and in fact reacts very seriously on every branch of business into which their labor enters ; for the increase in the cost of living must really be paid by the employer. Besides, under existing arrangements, an equally burdensome tax, as we have already stated, is laid on the time and comfort of the entire community, making evident to the minds of all that the present mode of transit is totally inadequate to the requirements of this rapidly expanding city.

But this is merely a local view of the advantages of the tunnel road. The commerce of the whole State, and, in fact, of the whole country, is directly interested in the completion of this great public improvement. It is unnecessary to dwell upon the importance of New York to the commerce of the State and country. The vast trade that has centered here the volume of produce which is daily brought to our wharves from West and South, to be distributed to all parts of the world, sufficiently indicate this importance. Now, however, all this freight, or all that is brought overland—and the proportion thus carried is increasing every year—must be carted through the city and trans-shipped once or twice, making the cost of transferring merchandise from one side of the city to the other about as great as the freight charges from Buffalo to New York. How easily and quickly a tunnel road would change all this. As soon as a central tunnel is constructed through the entire length of the city, branch tunnels will be added, a bridge suspended over the Hudson River, by which all the main lines of travel and freight transportation may be brought to Manhattan Island, and the freight thus collected be sent rapidly and cheaply, without breaking bulk, through the city to the wharves along our river fronts. All this would necessarily and materially diminish the cost of transportation, benefitting the producer and consumer equally, and thus materially increasing the volume of freight flowing through New York—which the lower rates would attract—and benefitting our canals and railways.

There is also every reason to believe that such a tunnel road will be constructed as soon as the Legislature grants the proper charter rights and privileges. There are no good grounds for supposing that the work, if properly undertaken, could not be carried through and made completely successful. It is true that the peculiar topography of the island, including the vein of quicksand extending from Worth to Canal streets, the low, wet, marshy section immediately north of it, and the hills of solid rock that extend from Thirtieth street to Fort George and Washington Heights, present many engineering difficulties that will only be overcome at considerable expense of money and labor ; but they are by no means insurmountable. The necessary energy and capital can and will be provided as soon as legislation is obtained authorizing the work.

NATIONAL BANKS OF EACH STATE—THEIR CONDITION JANUARY 4, 1869.

We are indebted to the Comptroller of the Currency for the following reports of the National Banks of each State and redemption city for the first Monday of January, 1869. As will be seen we have grouped them together in the following order: Eastern States, next the Middle States, then the Southern States, and last the Western States followed by the Territories.

	Maine.	N. Hampshire.	Vermont.	Massachusetts.	Boston.	Rh. Island.	Connecticut.	New York.	City of N. Y.
Assets	\$30,312,206 96	\$4,294,204 70	\$3,502,054 10	\$42,587,654 20	\$24,011,816 55	\$21,202,708 02	\$27,784,264 41	\$90,750,777 01	\$100,000,000 00
Capital	4,776 49	14,237 09	42,423 09	23,416 25	41,259 40	7,081 42	46,129 86	201,010 74	217,000 00
Surplus	8,440,750 00	4,842,000 00	4,457,500 00	23,718,000 00	29,854,550 00	14,123,626 60	19,763,000 00	23,789,000 00	42,400,000 00
Reserve	705,000 00	830,000 00	644,000 00	2,984,400 00	1,950,000 00	410,000 00	1,107,000 00	2,699,400 00	4,000,000 00
Loans	927,750 00	954,000 00	627,700 00	2,287,400 00	2,400,000 00	970,150 00	2,180,000 00	2,673,500 00	4,343,750 00
Real Estate	943,267 55	78,200 00	108,000 00	324,000 00	385,048 00	267,127 76	150,725 00	2,102,523 06	4,776,242 20
Other Assets	1,448,919 14	1,004,109 19	287,050 06	7,174,978 29	8,574,911 28	2,114,500 00	2,897,223 41	9,220,000 00	11,551,500 00
Liabilities	154,508 53	67,000 00	122,700 00	748,476 21	2,810,777 00	637,616 28	2,428,919 21	2,912,977 25	1,401,500 00
Capital	16,551 96	2,251 65	14,194 56	287,427 06	1,180,023 24	40,943 86	181,760 28	214,000 00	7,048,179 81
Surplus	944,909 54	112,475 24	162,500 20	882,940 21	1,802,170 50	877,008 99	798,211 08	1,720,187 45	614,217 25
Reserve	15,000 00	22,543 00	22,104 20	127,450 87	204,400 00	63,254 00	22,000 00	213,759 00	471,146 90
Loans	2,000 00	2,522 00	11,808 12	29,853 26	5,323 54	21,949 52	32,000 00	304,516 00	1,304,516 00
Real Estate	202,970 00	108,000 00	117,910 20	676,500 00	4,042,900 72	604,909 47	728,126 00	1,001,900 00	1,101,900 00
Other Assets	200,000 00	148,000 00	107,500 00	703,000 00	1,502,978 00	304,516 00	412,441 00	901,900 00	1,537,900 00
Liabilities	27,000 00	250 00	1,000 00	310 00	1,100 00	11,946 00	116 00	14,900 00	14,900 00
Capital	27,000 00	10,000 00	25,124 40	183,448 47	178,734 67	60,000 00	12,500 00	202,504 00	207,018 00
Surplus	48,000 00	15,000 00	67,704 07	400,847 29	2,052,578 94	67,043 28	145,449 74	681,200 00	22,200,429 97
Reserve	1,122,700 00	454,876 00	605,153 09	4,285,534 09	7,783,209 00	1,400,194 00	2,228,000 00	6,185,000 00	10,973,000 00
Loans	1,400 00	100 00	150 00	12,000 00	.....	810 00	2,800 00	22,510 00	15,500 00
Real Estate	25,000 00	75,000 00	120,000 00	250,000 00	6,245,000 00	145,000 00	201,000 00	1,040,000 00	20,345,000 00
Other Assets	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total	\$24,121,871 47	\$12,200,910 28	\$18,338,064 29	\$100,383,770 01	\$134,561,055 01	\$42,404,181 01	\$68,451,614 07	\$130,355,458 19	\$420,000,000 00
LIABILITIES.	\$24,121,871 47	\$12,200,910 28	\$18,338,064 29	\$100,383,770 01	\$134,561,055 01	\$42,404,181 01	\$68,451,614 07	\$130,355,458 19	\$420,000,000 00
Capital	27,000 00	10,000 00	25,124 40	183,448 47	178,734 67	60,000 00	12,500 00	202,504 00	207,018 00
Surplus	48,000 00	15,000 00	67,704 07	400,847 29	2,052,578 94	67,043 28	145,449 74	681,200 00	22,200,429 97
Reserve	1,122,700 00	454,876 00	605,153 09	4,285,534 09	7,783,209 00	1,400,194 00	2,228,000 00	6,185,000 00	10,973,000 00
Loans	1,400 00	100 00	150 00	12,000 00	.....	810 00	2,800 00	22,510 00	15,500 00
Real Estate	25,000 00	75,000 00	120,000 00	250,000 00	6,245,000 00	145,000 00	201,000 00	1,040,000 00	20,345,000 00
Other Assets	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total	\$24,121,871 47	\$12,200,910 28	\$18,338,064 29	\$100,383,770 01	\$134,561,055 01	\$42,404,181 01	\$68,451,614 07	\$130,355,458 19	\$420,000,000 00
LIABILITIES.	\$24,121,871 47	\$12,200,910 28	\$18,338,064 29	\$100,383,770 01	\$134,561,055 01	\$42,404,181 01	\$68,451,614 07	\$130,355,458 19	\$420,000,000 00
Capital	27,000 00	10,000 00	25,124 40	183,448 47	178,734 67	60,000 00	12,500 00	202,504 00	207,018 00
Surplus	48,000 00	15,000 00	67,704 07	400,847 29	2,052,578 94	67,043 28	145,449 74	681,200 00	22,200,429 97
Reserve	1,122,700 00	454,876 00	605,153 09	4,285,534 09	7,783,209 00	1,400,194 00	2,228,000 00	6,185,000 00	10,973,000 00
Loans	1,400 00	100 00	150 00	12,000 00	.....	810 00	2,800 00	22,510 00	15,500 00
Real Estate	25,000 00	75,000 00	120,000 00	250,000 00	6,245,000 00	145,000 00	201,000 00	1,040,000 00	20,345,000 00
Other Assets	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total	\$24,121,871 47	\$12,200,910 28	\$18,338,064 29	\$100,383,770 01	\$134,561,055 01	\$42,404,181 01	\$68,451,614 07	\$130,355,458 19	\$420,000,000 00
LIABILITIES.	\$24,121,871 47	\$12,200,910 28	\$18,338,064 29	\$100,383,770 01	\$134,561,055 01	\$42,404,181 01	\$68,451,614 07	\$130,355,458 19	\$420,000,000 00
Capital	27,000 00	10,000 00	25,124 40	183,448 47	178,734 67	60,000 00	12,500 00	202,504 00	207,018 00
Surplus	48,000 00	15,000 00	67,704 07	400,847 29	2,052,578 94	67,043 28	145,449 74	681,200 00	22,200,429 97
Reserve	1,122,700 00	454,876 00	605,153 09	4,285,534 09	7,783,209 00	1,400,194 00	2,228,000 00	6,185,000 00	10,973,000 00
Loans	1,400 00	100 00	150 00	12,000 00	.....	810 00	2,800 00	22,510 00	15,500 00
Real Estate	25,000 00	75,000 00	120,000 00	250,000 00	6,245,000 00	145,000 00	201,000 00	1,040,000 00	20,345,000 00
Other Assets	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total	\$24,121,871 47	\$12,200,910 28	\$18,338,064 29	\$100,383,770 01	\$134,561,055 01	\$42,404,181 01	\$68,451,614 07	\$130,355,458 19	\$420,000,000 00
LIABILITIES.	\$24,121,871 47	\$12,200,910 28	\$18,338,064 29	\$100,383,770 01	\$134,561,055 01	\$42,404,181 01	\$68,451,614 07	\$130,355,458 19	\$420,000,000 00
Capital	27,000 00	10,000 00	25,124 40	183,448 47	178,734 67	60,000 00	12,500 00	202,504 00	207,018 00
Surplus	48,000 00	15,000 00	67,704 07	400,847 29	2,052,578 94	67,043 28	145,449 74	681,200 00	22,200,429 97
Reserve	1,122,700 00	454,876 00	605,153 09	4,285,534 09	7,783,209 00	1,400,194 00	2,228,000 00	6,185,000 00	10,973,000 00
Loans	1,400 00	100 00	150 00	12,000 00	.....	810 00	2,800 00	22,510 00	15,500 00
Real Estate	25,000 00	75,000 00	120,000 00	250,000 00	6,245,000 00	145,000 00	201,000 00	1,040,000 00	20,345,000 00
Other Assets	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total	\$24,121,871 47	\$12,200,910 28	\$18,338,064 29	\$100,383,770 01	\$134,561,055 01	\$42,404,181 01	\$68,451,614 07	\$130,355,458 19	\$420,000,000 00
LIABILITIES.	\$24,121,871 47	\$12,200,910 28	\$18,338,064 29	\$100,383,770 01	\$134,561,055 01	\$42,404,181 01	\$68,451,614 07	\$130,355,458 19	\$420,000,000 00
Capital	27,000 00	10,000 00	25,124 40	183,448 47	178,734 67	60,000 00	12,500 00	202,504 00	207,018 00
Surplus	48,000 00	15,000 00	67,704 07	400,847 29	2,052,578 94	67,043 28	145,449 74	681,200 00	22,200,429 97
Reserve	1,122,700 00	454,876 00	605,153 09	4,285,534 09	7,783,209 00	1,400,194 00	2,228,000 00	6,185,000 00	10,973,000 00
Loans	1,400 00	100 00	150 00	12,000 00	.....	810 00	2,800 00	22,510 00	15,500 00
Real Estate	25,000 00	75,000 00	120,000 00	250,000 00	6,245,000 00	145,000 00	201,000 00	1,040,000 00	20,345,000 00
Other Assets	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total	\$24,121,871 47	\$12,200,910 28	\$18,338,064 29	\$100,383,770 01	\$134,561,055 01	\$42,404,181 01	\$68,451,614 07	\$130,355,458 19	\$420,000,000 00
LIABILITIES.	\$24,121,871 47	\$12,200,910 28	\$18,338,064 29	\$100,383,770 01	\$134,561,055 01	\$42,404,181 01	\$68,451,614 07	\$130,355,458 19	\$420,000,000 00
Capital	27,000 00	10,000 00	25,124 40	183,448 47	178,734 67	60,000 00	12,500 00	202,504 00	207,018 00
Surplus	48,000 00	15,000 00	67,704 07	400,847 29	2,052,578 94	67,043 28	145,449 74	681,200 00	22,200,429 97
Reserve	1,122,700 00	454,876 00	605,153 09	4,285,534 09	7,783,209 00	1,400,194 00	2,228,000 00	6,185,000 00	10,973,000 00
Loans	1,400 00	100 00	150 00	12,000 00	.....	810 00	2,800 00	22,510 00	15,500 00
Real Estate	25,000 00	75,000 00	120,000 00	250,000 00	6,245,000 00	145,000 00	201,000 00	1,040,000 00	20,345,000 00
Other Assets	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total	\$24,121,871 47	\$12,200,910 28	\$18,338,064 29	\$100,383,770 01	\$134,561,055 01	\$42,404,181 01	\$68,451,614 07	\$130,355,458 19	\$420,000,000 00
LIABILITIES.	\$24,121,871 47	\$12,200,910 28	\$18,338,064 29	\$100,383,770 01	\$134,561,055 01	\$42,404,181 01	\$68,451,614 07	\$130,355,458 19	\$420,000,000 00
Capital	27,000 00	10,000 00	25,124 40	183,448 47	178,734 67	60,000 00	12,500 00	202,504 00	207,

—BALANCE.

Washington.	Virginia.	West Virginia.	North Carolina.	Georgia.	Alabama.	New Orleans.	Texas.
\$1,300,000 00	\$2,000,000 00	\$2,518,500 00	\$242,071 11	\$2,361,478 48	\$200,545 00	\$1,200,361 48	\$431,134 70
10,305 13	84,944 25	19,454 98	7,117 00	6,081 49	237 00	2,138 00	.....
1,000,000 00	2,072,500 00	2,342,250 00	401,000 00	1,578,000 00	210,500 00	1,308,000 00	472,100 00
200,000 00	250,000 00	300,000 00	300,000 00	200,000 00	.....	.....	200,000 00
202,000 00	4,100 00	312,500 00	65,000 00	.....	500 00	.....	700 00
12,007 00	29,158 00	171,450 00	151,200 00	25,736 07	50,000 00	44,500 00	41,141 07
148,297 14	401,746 00	264,908 48	24,707 76	279,256 09	21,733 44	129,809 88	208,077 14
154,949 45	247,481 98	281,417 48	17,051 62	176,194 76	4,812 00	157,094 25	63,735 26
203,790 97	72,204 11	50,961 80	62,906 08	108,700 26	80,836 57	127,515 64	40,230 91
245,027 07	251,433 44	215,269 08	67,938 18	284,483 10	14,208 03	222,235 46	17,333 06
16,118 98	26,221 94	28,212 86	7,407 76	29,261 31	.....	22,906 63	15,770 97
14,200 00	21,440 50	24,745 18	14,954 94	2,516 31	5 00	21,000 00	.....
103,729 00	990,909 76	174,583 12	12,300 05	21,006 38	90,856 50	844,743 48	6,944 43
158,906 00	161,847 00	44,977 00	118,903 00	228,503 00	14,849 00	16,803 00	61,527 00
.....	5,806 00	22,573 00	22,307 00	.....	.....	.....	.....
1,206 28	26,570 84	25,068 02	12,074 49	20,889 96	4,611 78	6,453 23	2,561 71
40,923 81	59,687 46	41,405 91	22,705 70	24,881 28	63,904 76	92,016 76	173,971 08
121,073 00	261,787 00	403,054 00	261,938 00	1,044,349 00	189,297 00	463,202 00	124,963 00
.....	680 00	210 00	60 00	.....	.....	.....	.....
200,000 00	10,000 00	75,000 00	.....	25,000 00	.....	.....	.....
Total.....	\$4,347,507 70	\$7,325,613 47	\$2,405,700 25	\$6,158,878 00	\$1,203,205 46	\$4,545,554 18	\$2,040,373 00
\$1,000,000 00	\$2,150,000 00	\$2,216,400 00	\$632,400 00	\$1,000,000 00	\$400,000 00	\$1,970,000 00	\$525,000 00
200,000 00	158,027 00	200,000 00	40,903 25	141,031 40	12,078 15	12,000 00	20,710 00
78,559 64	180,000 01	158,335 05	54,715 03	202,405 40	64,904 70	274,874 00	94,074 00
702,734 00	1,227,200 00	1,978,604 00	215,035 00	1,228,000 00	204,800 00	1,022,815 00	201,205 00
.....	1,038 00	.....	.....	.....	.....	.....	.....
1,261,905 19	2,261,461 01	2,482,137 01	975,478 12	2,432,568 25	555,464 72	1,797,439 43	720,267 97
207,276 00	120,339 80	112,107 07	141,000 00	24,164 20	.....	.....	20,215 21
2,007 24	250,944 08	22,158 10	145,003 26	192,784 09	.....	.....	204,459 26
942,291 25	203,747 97	60,209 05	122,789 73	100,705 23	23,003 07	91,914 00	28,984 03
6,433 73	74,225 50	71,035 73	14,240 97	122,600 46	25,407 69	200,680 00	12,421 64
Total.....	\$4,347,507 70	\$7,325,613 47	\$2,405,700 25	\$6,158,878 00	\$1,203,205 46	\$4,545,554 18	\$2,040,373 00

—BALANCE.

ASSETS.

Arkansas.	Kentucky.	Louisville.	Tennessee.	Ohio.	Cincinnati.	Ch. and Ind.	Indiana.
\$343,419 00	\$3,233,885 19	\$9,409,377 37	\$2,535,535 77	\$80,884,554 48	\$3,475,411 95	\$3,444,557 25	\$3,734,748 75
1,940 84	14,000 00	1,014 00	30,743 73	131,411 17	16,870 74	11,415 37	28,880 63
300,000 00	1,701,800 00	905,000 00	1,412,740 00	14,722,000 00	2,412,000 00	1,034,000 00	1,331,000 00
150,000 00	1,701,800 00	905,000 00	1,412,740 00	14,722,000 00	2,412,000 00	1,034,000 00	1,331,000 00
65,200 00	16,400 00	1,000 00	401,000 00	2,041,500 00	585,400 00	59,000 00	874,500 00
34,437 51	17,000 00	17,301 00	371,093 43	1,432,300 00	16,000 00	4,350 00	313,517 16
48,736 78	31,131 34	198,725 20	5,174,747 91	2,462,076 17	788,083 33	732,883 93	1,554,142 24
43,728 16	18,011 90	37,953 51	377,441 31	1,728,655 57	173,348 19	195,106 83	658,067 57
3,198 84	104,718 05	3,730 15	158,003 94	542,140 07	79,830 36	107,189 17	189,772 71
37,810 23	1,32,403 10	20,996 33	163,646 51	706,438 37	148,579 32	174,630 45	504,030 52
1,937 14	9,000 00	6,848 76	41,538 45	134,718 19	44,414 64	14,943 57	113,936 13
1,014 46	3,300 45	2,051 39	41,118 76	81,328 94	554 13	.....	9,120 95
4,05 94	6,765 32	2,051 39	16,903 40	867,997 69	220,066 14	214,073 76	367,145 30
4,161 00	54,807 07	32,678 00	491,003 00	558 143 00	229,312 00	263,027 00	434,151 00
.....	613 00	.....	.....	14,840 00	1,840 00	6,819 00	2,703 00
900 34	7,744 51	3,875 70	19,040 45	105,312 53	10,580 3	52,718 53	85,989 62
3,330 11	9,508 10	11,726 31	37,835 01	59,955 19	47,665 30	55,431 97	126,318 62
41,156 00	49,911 00	232,194 60	897,335 00	3,537,448 00	1,503,354 00	503,099 00	1,356,134 00
.....	530 00	.....	1,080 00	1,690 00	4,200 00	58 00	750 00
.....	15,000 00	10,070 00	.....	415,000 00	220,000 00	300,000 00	110,000 00
Total	\$390,805 18	\$3,247,438 03	\$4,623,474 20	\$7,335,573 26	\$49,041,408 87	\$13,063,311 77	\$34,633,119 34

LIABILITIES.

Capital stock	200,000 00	\$1,583,000 00	\$950,000 00	\$1,922,300 00	\$15,454,700 00	\$3,500,000 00	\$12,617,000 00	\$4,630,000 00
.....	34,750 76	144,440 37	142,537 01	170,177 15	2,520,810 49	653,969 49	2,369,439 17	1,332,199 98
.....	17,64 03	110,616 37	27,373 99	178,500 51	185,411 49	325,039 40	112,899 79	665,693 65
.....	179,477 00	1,542,146 00	710,343 00	1,143,894 00	12,997,774 00	2,576,350 00	10,830,498 00	5,444,374 00
.....	350,000 70	1,317,255 26	496,706 53	3,099,331 31	50,660 00	10,783 00	8,301 00	1,737 00
.....	20,718 04	194,771 40	37,666 73	186,035 66	91,333 73	3,332,331 33	7,354,006 03	8,751,612 33
.....	174,537 80	10,740 98	.....	91,118 06	73,323 46	37,165 90	450,404 95	474,120 57
.....	13,843 20	46,303 84	94,249 65	6,346 34	335,493 66	1,932,873 02	130,540 94	118,763 09
.....	.....	57,311 86	54,811 06	37,759 03	203,331 91	302,609 57	105,473 03	56,499 15
.....	.....	.....	.....	.....	.....	118,311 53	.....	58,218 43
Total	\$390,805 18	\$3,247,438 03	\$4,623,474 20	\$7,335,573 26	\$49,041,408 87	\$13,063,311 77	\$34,633,119 34	\$34,633,119 34

* Excl. of the city of Louisville.

† Exclusive of the cities of Cincinnati and Cleveland.

‡ Exclusive of the city of Chicago.

ASSETS.

Chicago.	Michigan.*	Detroit.	Wisconsin.†	Milwaukee.	Iowa.	Minnesota.	Wisconsin.‡	St. Louis.
\$11,700,000 00	\$5,032,328 86	\$3,120,000 00	\$2,500,000 00	\$1,494,947 91	\$4,031,918 50	\$2,337,894 21	\$1,415,104 87	\$2,149,000 00
45,599 00	41,671 16	8,107 88	32,884 80	11,121 11	46,989 81	50,900 00	1,738 94	1,200 00
4,823,000 00	2,300,000 00	1,000,000 00	1,000,000 00	701,000 00	2,614,750 00	1,682,200 00	797,900 00	2,916,100 00
370,000 00	900,000 00	850,000 00	300,000 00	800,000 00	370,000 00	250,000 00	150,000 00	465,000 00
167,850 00	172,400 00	...	249,000 00	7,200 00	470,000 00	54,000 00	104,500 00	170,000 00
105,640 01	204,000 00	31,109 78	101,000 04	18,000 14	197,000 00	64,000 00	228,000 00	1,000,000 00
2,000,000 00	630,018 88	500,000 00	460,000 00	407,000 00	707,700 00	219,000 00	302,000 00	687,000 00
411,411 71	304,071 76	827,000 00	310,000 00	94,500 00	675,700 00	25,000 00	100,000 00	78,471 16
170,401 84	50,278 88	58,439 21	38,446 08	7,000 00	178,000 00	68,100 00	22,000 00	110,000 00
444,000 00	378,456 08	40,124 50	100,000 00	61,478 98	220,000 00	180,000 00	60,000 00	300,000 00
12,944 16	34,144 85	8,878 03	50,011 87	11,367 18	42,753 87	15,000 00	12,000 00	100,000 00
10,000 00	18,000 00	...	6,000 00	...	20,000 00	15,000 00	14,000 00	50,000 00
2,700,000 00	107,481 08	104,000 00	6,700 45	229,448 88	150,000 00	12,000 00	24,000 00	270,000 00
811,061 00	162,977 00	60,900 00	180,000 00	48,940 00	410,000 00	72,000 00	301,000 00	440,000 00
...	178 00	4,144 00	180 00	...	2,000 00	190 00	101 00	5 10
46,000 00	39,000 00	17,700 00	30,000 00	27,470 00	40,000 00	11,000 00	5,000 00	48,000 00
35,000 00	34,437 41	1,000 00	50,000 00	24,000 00	88,000 00	17,000 00	27,000 00	191,000 00
2,300,000 00	911,000 00	612,000 00	650,000 00	448,000 00	1,470,000 00	450,000 00	251,000 00	2,807,000 00
1,440 00	110 00	...	150 00	...	2,000 00	200 00	4,000 00	2,000 00
470,000 00	85,000 00	160,000 00	55,000 00	25,000 00	81,000 00	5,000 00	10,000 00	625,000 00
Total	\$11,587,998 86	\$6,241,903 87	\$6,919,700 17	\$4,022,706 88	\$14,202,497 74	\$5,050,896 59	\$3,977,400 91	\$20,119,056 00

LIABILITIES.

Capital stock .....	...	...	...	...	...	...	...	...
\$5,450,000 00	\$3,710,000 00	\$1,550,010 00	\$1,800,000 00	\$650,000 00	\$1,787,000 00	\$1,714,900 00	\$1,000,000 00	\$6,810,000 00
1,716,288 86	734,017 19	478,181 28	571,758 79	1,048 01	671,000 00	101,000 00	178,000 00	688,444 89
338,381 10	332,100 00	60,000 00	505,000 00	41,439 21	878,000 00	178,000 00	148,000 00	598,000 00
4,803,217 00	2,850,701 00	947,071 00	1,650,000 00	693,000 00	3,108,100 00	1,441,000 00	664,144 00	3,491,000 00
...	1,000 00	900 00	...	368 00	2,700 00	2,345 00	...	20,000 00
11,678,801 69	8,923,411 17	2,738,426 03	2,765,506 46	1,692,000 00	6,500,000 00	1,800,000 00	1,502,111 78	6,081,000 00
60,000 00	67,463 96	342,518 87	70,000 00	145,000 00	163,000 00	40,000 00	57,000 00	157,000 00
...	14,315 16	918,000 00	15,000 00	120,000 00	91,000 00	81,000 00	...	...
9,541,016 67	39,196 00	164,000 00	18,000 00	222,000 00	48,000 00	4,000 00	15,000 00	971,000 00
1,782,000 87	11,977 97	68,174 13	8,000 16	124,000 00	85,000 00	35,000 00	7,400 00	870,000 00
Total	\$11,587,998 86	\$6,241,903 87	\$6,919,700 17	\$4,022,706 88	\$14,202,497 74	\$5,050,896 59	\$3,977,400 91	\$20,119,056 00

* Exclusive of the City of Detroit.

† Exclusive of the City of Milwaukee.

‡ Exclusive of the City of St. Louis.

ASSETS.

Kan.-sa. ^a	Leavenworth.	Nebraska.	Nevada.	Oregon.	Colorado.	Montana.	Utah.	Idaho.
\$338,854 01	\$328,180 07	\$608,713 81	\$187,870 94	\$40,018 60	\$581,329 79	\$91,534 30	\$180,499 78	\$67,137 47
2,366 67	9,069 61	7,979 17	.....	4,614 34	12,374 66	2,834 50	3,012 94	2,101 89
181,000 00	200,000 00	935,000 00	155,000 00	100,000 00	227,000 00	40,000 00	180,000 00	70,000 00
50,000 00	20,000 00	450,000 00	.....	50,000 00	150,000 00	20,000 00	.....	.....
10,000 00	57,500 00	65,500 00	.....	13,200 00	19,000 00	.....	14,500 00	.....
58,938 45	81,037 89	162,000 00	.....	28,367 80	74,678 84	1,313 43	.....	.....
64,894 28	41,848 88	634,108 94	8,165 90	.....	114,730 80	5,038 76	5,894 97	576 81
61,100 01	67,023 08	181,941 40	5,96 69	.....	157,493 01	.....	.....	614 66
97,391 97	4,766 11	12,478 79	18,120 48	8,500 64	26,011 19	18,519 61	.....	17,709 32
97,391 97	49,618 86	95,994 78	23,478 81	2,701 58	97,744 00	18,123 83	8,224 68	13,474 69
97,391 97	4,923 10	17,074 46	17 04	.....	26,300 41	8,253 45	7,739 28	4,314 28
2,845 75	8,500 86	12,687 47	.....	8,730 00	14,374 83	5,943 16	10,008 67	.....
2,182 58	8,293 33	44,748 26	203 04	20,600 46	14,000 63	1,607 81	4,873 49	5,944 73
16,108 00	65,259 00	56,143 00	6,691 00	14,945 00	24,416 00	2,923 00	8,900 01	1,228 00
.....	.....	83 00	.....	.....	.....	.....	.....	.....
2,203 86	13,940 76	24,697 00	10 00	1,104 07	10,799 68	623 60	.....	157 45
5,861 96	1,729 05	18,338 80	58,528 90	54,675 26	26,059 19	11,173 60	1,530 00	2,086 09
72,067 00	152,440 00	943 675 00	19,086 00	70,514 09	163,707 00	66 20 00	24,580 90	27,081 00
50 00	.....	120 00	.....	.....	.....	.....	.....	.....
.....	10,000 00	.....	.....	.....	.....	.....	.....	.....
Total.....	\$301,118 15	\$1,310,674 61	\$4,280,067 90	\$404,610 67	\$1,761,476 83	\$279,734 85	\$401,846 01	\$217,057 74

LIABILITIES.

.....	\$300,000 00	\$200,000 00	\$400,000 00	\$135,000 00	\$330,000 00	\$100,000 00	\$150,000 00	\$100,000 00
.....	6,378 13	59,700 47	16,743 08	2,530 00	63,000 00	10,000 00	12,000 00	16,413 88
.....	21,728 94	26,501 79	154,811 51	30,634 13	23,468 17	11,832 50	16,617 44	2,838 88
.....	159,351 00	179,042 00	163,010 00	131,945 00	264,000 00	26,910 00	131,551 00	68,500 00
.....
.....	377,774 96	437,700 85	1,394,034 66	142,019 48	250,479 47	91,011 00	60,605 83	33,306 68
.....	24,327 07	24,327 01	7,529 43	.....	64,000 12	137 58	.....	.....
.....	.....	31,437 45	446,441 78	.....	21,779 43	20,643 60	.....	.....
.....	1,431 37	18,329 00	1,430 83	.....	74,346 65	103 07	6,038 74	.....
.....	2,261 78	29,799 91	109,044 91	.....	.....	.....	1,830 96	.....
Total.....	\$504,712 15	\$1,310,674 61	\$3,290,067 90	\$164,883 55	\$1,761,476 83	\$279,734 85	\$401,846 01	\$217,057 74

^a Exclusive of the city of Leavenworth.

PROGRESS OF THE LIVERPOOL COTTON MARKET IN 1868, COMPARED WITH 1867.

From January 1, to—	Imports		Total sales		Home cons'p'n		Export		Cotton at sea		Stock		Price of	
	1868.	1867.	1868.	1867.	1868.	1867.	1868.	1867.	1868.	1867.	1868.	1867.	Mid. Up	1868. 1867.
Jan. 1, to—	61,505	87,826	111,120	105,270	90,130	74,150	17,473	25,211	115,010	70,000	419,200	530,010	7 1/2	14 1/2
Jan. 9, to—	156,755	104,811	211,920	146,900	161,340	101,410	26,121	33,719	120,000	91,000	474,290	501,890	7 1/2	14 1/2
" 16, to—	212,908	121,273	312,810	149,110	242,210	183,000	39,570	41,209	125,000	90,000	406,140	478,800	7 1/2	14 1/2
" 23, to—	298,565	234,519	425,460	257,790	313,210	181,790	58,975	47,900	110,000	90,000	396,670	528,890	7 1/2	14 1/2
Feb. 6, to—	339,424	248,614	530,610	300,750	391,060	212,970	78,690	56,917	135,000	100,000	340,150	570,770	7 1/2	14 1/2
" 13, to—	378,871	376,313	641,829	361,910	490,740	255,790	96,485	67,155	140,000	110,000	283,000	565,500	8 1/2	14
" 20, to—	445,713	400,496	791,190	418,770	540,280	294,680	108,850	81,230	140,000	120,000	266,781	558,940	10 1/2	13 1/2
" 27, to—	519,920	445,537	841,600	471,510	575,290	332,910	121,581	81,230	115,000	130,000	291,750	570,610	9 1/2	13 1/2
Mar 5, to—	620,325	400,011	918,740	526,720	627,650	518,390	144,980	113,792	115,000	130,000	326,910	531,610	9 1/2	13 1/2
" 12, to—	682,917	510,275	1,002,911	589,410	679,180	431,070	152,639	121,610	125,000	180,000	344,470	497,320	10 1/2	13 1/2
" 19, to—	768,810	540,141	1,082,240	637,000	749,280	468,470	160,705	138,116	140,000	191,000	371,010	467,770	10 1/2	13 1/2
" 26, to—	82,777	745,411	1,111,250	707,820	769,540	506,610	173,439	149,071	150,000	170,000	391,590	644,810	10 1/2	13 1/2
April 2, to—	815,292	815,292	1,324,310	767,320	864,320	532,790	181,213	162,028	200,000	160,000	312,040	677,980	11 1/2	12 1/2
" 9, to—	982,649	912,613	1,332,110	835,240	934,550	546,610	198,870	174,908	185,000	160,000	356,550	712,340	11 1/2	12 1/2
" 16, to—	1,071,126	1,041,082	1,438,010	875,810	967,230	608,890	204,816	187,131	165,000	150,000	409,870	795,820	11 1/2	11 1/2
" 23, to—	1,203,756	1,121,530	1,571,510	911,370	1,061,520	648,130	211,357	194,177	90,000	110,000	488,310	826,110	12 1/2	10 1/2
" 30, to—	1,300,416	1,198,080	1,657,980	1,090,150	1,013,530	716,740	218,136	207,143	90,000	125,000	528,230	716,740	12 1/2	11 1/2
May 7, to—	1,359,534	1,251,318	1,705,610	1,103,200	1,048,520	768,340	234,211	219,220	96,000	115,000	512,400	813,050	12 1/2	11 1/2
" 14, to—	1,450,587	1,337,913	1,752,190	1,211,630	1,080,830	826,980	238,253	224,247	90,000	115,000	587,440	834,120	12 1/2	11 1/2
" 21, to—	1,499,191	1,361,558	1,799,240	1,211,180	1,118,830	74,920	246,270	242,163	90,000	120,000	590,570	772,810	11 1/2	11 1/2
" 28, to—	1,561,925	1,145,417	1,926,630	1,362,910	1,145,570	980,140	254,310	234,391	90,000	100,000	630,250	810,620	11 1/2	11 1/2
June 4, to—	1,612,349	1,213,016	1,990,430	1,458,160	1,139,530	1,041,330	259,978	220,906	94,000	100,000	648,820	852,950	11 1/2	11 1/2
" 11, to—	1,658,510	1,202,571	1,936,280	1,419,490	1,220,630	1,041,610	264,696	217,878	74,000	76,000	612,740	861,490	11 1/2	11 1/2
" 18, to—	1,717,055	1,253,016	2,025,150	1,584,630	1,280,460	1,090,610	271,199	219,859	71,000	73,000	611,980	824,450	11 1/2	11 1/2
" 25, to—	1,765,845	1,261,767	2,093,341	1,615,450	1,131,470	1,144,440	280,108	219,015	81,510	73,000	607,390	748,670	11 1/2	11 1/2
July 2, to—	1,816,176	1,276,137	2,149,210	1,699,180	1,378,680	1,175,210	210,718	215,011	81,000	81,000	601,190	738,200	10 1/2	10 1/2
" 9, to—	1,857,736	1,271,633	2,220,010	1,755,131	1,430,210	1,218,190	311,061	236,673	85,000	85,000	681,870	748,700	11 1/2	10 1/2
" 16, to—	1,877,846	1,274,061	2,267,410	1,832,270	1,466,400	1,277,710	308,468	251,156	85,000	85,000	681,870	748,700	11 1/2	10 1/2
" 23, to—	1,961,117	1,271,183	2,312,030	1,914,740	1,497,100	1,339,330	318,785	263,512	13,000	54,000	672,500	697,390	10 1/2	10 1/2
" 30, to—	1,949,599	1,271,837	2,375,010	1,911,430	1,541,430	1,370,010	338,117	270,070	14,000	64,000	653,070	675,800	9 1/2	10 1/2
Aug. 6, to—	2,076,561	1,270,463	2,443,540	2,027,220	1,591,160	1,413,630	342,412	245,218	8,000	60,000	650,610	783,690	9 1/2	10 1/2
" 13, to—	2,151,371	1,245,178	2,532,100	2,123,920	1,659,610	1,494,520	351,819	213,603	6,960	48,000	677,580	690,180	10 1/2	10 1/2
" 20, to—	2,173,552	1,288,106	2,611,430	2,183,260	1,732,230	1,522,660	363,745	232,121	6,500	21,000	610,210	706,640	10 1/2	10 1/2
" 27, to—	2,211,339	1,270,980	2,711,520	2,235,810	1,801,850	1,518,340	388,760	252,413	3,000	21,000	491,960	793,560	11 1/2	10 1/2
Sept. 3, to—	2,325,678	1,283,613	2,720,710	2,280,210	1,849,590	1,607,890	402,303	273,416	2,500	16,000	571,830	786,290	10 1/2	10 1/2
" 10, to—	2,463,890	1,280,899	2,882,210	2,371,890	1,991,250	1,653,170	429,626	291,109	2,500	14,000	479,790	817,580	10 1/2	9 1/2
" 17, to—	2,403,044	1,262,440	2,965,850	2,417,131	1,945,800	1,707,380	443,411	312,664	2,000	18,000	452,350	836,650	10 1/2	9 1/2
" 24, to—	2,496,743	1,271,471	3,031,270	2,513,010	1,992,010	1,751,560	460,365	332,735	3,300	10,000	422,140	810,520	10 1/2	8 1/2
Oct. 1, to—	2,621,487	1,271,416	3,128,130	2,569,110	2,061,861	1,802,640	474,371	350,467	6,000	10,000	424,180	795,630	10 1/2	8 1/2
" 8, to—	2,594,316	1,272,160	3,211,110	2,654,870	2,116,000	1,850,300	490,173	370,562	11,000	14,000	427,100	787,000	10 1/2	8 1/2
" 15, to—	2,649,166	1,272,254	3,311,520	2,754,120	2,173,110	1,916,460	507,979	392,814	17,000	14,000	407,000	718,010	10 1/2	8 1/2
" 22, to—	2,731,050	1,284,158	3,385,260	2,819,700	2,232,630	1,992,190	532,336	404,163	22,000	20,000	403,090	678,200	10 1/2	8 1/2
" 29, to—	2,817,036	1,285,590	3,514,250	2,988,150	2,300,670	2,037,120	550,161	426,160	29,000	21,000	443,890	637,550	11 1/2	8 1/2
Nov. 5, to—	2,897,019	1,287,565	3,611,790	3,010,170	2,339,520	2,090,610	570,367	446,296	25,000	25,000	426,810	571,500	11 1/2	6 1/2
" 12, to—	2,939,999	1,289,126	3,701,040	3,011,040	2,381,240	2,139,150	597,483	461,103	55,000	42,000	405,460	528,040	10 1/2	6 1/2
" 19, to—	2,966,931	1,290,467	3,742,730	3,131,650	2,413,430	2,188,310	617,906	475,386	69,000	49,000	380,030	453,410	10 1/2	6 1/2
" 26, to—	3,018,614	1,295,470	3,851,680	3,159,100	2,487,950	2,231,820	639,996	494,457	90,000	65,000	330,480	461,820	11 1/2	7 1/2
Dec. 3, to—	3,110,427	1,294,154	3,937,110	3,263,610	2,530,200	2,293,140	651,023	506,739	78,000	92,000	367,800	431,690	11 1/2	7 1/2
" 10, to—	3,166,066	1,295,791	4,030,810	3,330,870	2,542,600	2,346,800	644,531	504,033	105,000	100,000	345,000	413,460	10 1/2	7 1/2
" 17, to—	3,214,144	1,291,079	4,067,720	3,380,190	2,542,600	2,401,260	660,557	515,939	110,000	108,000	251,290	400,370	10 1/2	7 1/2
" 24, to—	3,214,144	1,291,079	4,067,720	3,380,190	2,542,600	2,401,260	660,557	515,939	110,000	108,000	251,290	400,370	10 1/2	7 1/2

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer returns in the Treasury Department, on the 1st of January, and 1st of February, 1869 :

DEBT BEARING COIN INTEREST.				
	January 1.	February 1.	Increase.	Decrease
5 per cent. bonds.....	\$221,589,800 00	\$221,589,800 00	\$.....	\$.....
6 " 1881.....	283,677,400 00	283,677,400 00	.....	.....
6 " (5-20's) ..	1,602,568,650 00	1,602,582,850 00	14,700 00	.....
Total	2,107,835,850 00	2,107,850,050 00	14,700 00	.....

DEBT BEARING CURRENCY INTEREST.				
5 per ct. (RR) bonds.....	\$50,097,000 00	\$52,017,000 00	\$1,920,000 00	\$.....
3 p. cent. certificates	55,865,000 00	57,410,000 00	1,545,000 00	.....
Navy Pen. F'd 3 p.c.....	14,000,000 00	14,000,000 00	.....	.....
Total	119,962,000 00	123,427,000 00	3,465,000 00	\$.....

MATURED DEBT NOT PRESENTED FOR PAYMENT.				
7-30s. due Aug. 15, '67, J's & J'y 15, '63	\$2,174,900 00	\$1,977,150 00	\$.....	\$197,750 00
6 p.c. comp. int. notes mat'd June 10, July 15, Aug. 15 Oct. 15, Dec. 15, 1867, May 15, Aug. 1, Sept. 1 & 15, and Oct. 1 & 16, 1868	3,879,290 00	3,599,170 00	.....	279,120 00
B'ds of Texas ind'ty	256,000 00	256,000 00	.....	.....
Treasury notes (old).....	148,561 64	148,411 64	.....	150 00
B'ds of Apr. 15, 1842, Jan. 23, 1847 & Mar. 31, 1848	349,950 00	278,400 00	.....	71,550 00
Treas. n s of Ma. 8, 68.....	44,442 00	445,492 00	.....	.....
Temporary loan.....	197,810 00	193,313 00	.....	3,997 00
Certif. of indebt'ess.....	13,000 00	13,000 00	.....	.....
Total.....	7,463,508 64	6,910,936 64	\$.....	\$552,567 00

DEBT BEARING NO INTEREST.				
United States notes.....	\$356,021,073 00	\$356,021,073 00	\$.....	\$.....
Fractional currency.....	84,215,715 64	85,511,127 54	1,295,411 90	.....
Gold certi. of deposit.....	27,096,020 00	32,659,520 00	5,623,500 00	.....
Total	417,372,808 64	424,191,720 54	6,918,911 90	\$.....

RECAPITULATION.				
	\$	\$	\$	\$
Bearing coin interest.....	2,107,835,850 00	2,107,850,050 00	14,700 00	.....
Bearing cur'y interest.....	119,962,000 00	123,427,000 00	3,465,000 00	.....
Matured debt	7,463,503 64	6,910,936 64	.....	552,567 00
Bearing no interest	417,372,808 64	424,191,720 54	6,918,911 90	.....
Aggregate.....	2,652,533,662 23	2,662,379,70 13	9,846,047 90	.....
Coin & cur. in Treas.....	111,826,461 03	106,174,049 10	.....	5,652,411 93
Debt less coin and currency.....	2,540,707,201 20	2,556,205,658 03	15,498,456 83	.....

The following statement shows the amount of coin and currency separately at the dates in the foregoing table :

COIN AND CURRENCY IN TREASURY.				
Coin	\$98,763,363 91	\$88,732,716 44	.....	\$10,030,652 47
Currency.....	13,063,092 12	17,44,332 66	4,378,240 54	.....
Total coin & cur'cy....	111,826,461 03	106,174,049 10	.....	5,652 411 93

The annual interest payable on the debt, as existing January 1, and February 1, 1869, compares as follows :

ANNUAL INTEREST PAYABLE ON PUBLIC DEBT.				
	January 1.	February 1.	Increase.	Decrease
Gold—5 per cents.....	\$12,079,461 00	\$12,079,461 00	\$.....	\$.....
" 6 " 1881.....	17,020,644 00	17,020,644 00	.....	.....
" 6 " (5-20's).....	96,154,119 00	96,155,101 00	882 00	.....
Total coin interest	\$121,254,223 00	\$121,255,110 00	\$882 00	.....
Currency—6 per cents.....	\$3,003,820 00	\$3,121,020 00	115,200 00	.....
" 3 "	2,095,960 00	2,142,900 00	46,940 00	.....
Total currency inter't.....	\$5,101,770 00	\$5,263,920 00	\$162,150 00	\$.....

TRADE OF GREAT BRITAIN.

Annexed is a statement showing the exports of the principal descriptions of colonial and foreign produce to the United States during the eleven months ending November 30, 1868, compared with the corresponding period in 1867 and 1866:

	1866.	1867.	1868.
Alkali, cwt.....	1,630,353	1,831,09	1,449,558
Beer & ale, bbls.....	14,706	17,020	17,180
Coals, tons.....	131,210	115,118	99,498
COTTON MANUFACTURES:			
Piece goods, yds.....	102,194,882	82,965,742	68,805,263
Thread, lb.....	1,806,901	1,860,971	1,600,537
Earth ware and Porcelain pkgs.....	112,760	91,970	81,988
Haberdashery and Millinery value.....	£1,035,140	812,206	667,321
HARDWARE AND CUTLERY:			
Knives, forks, &c., value.....	£254,890	£271,403	£151,475
Anvils, vices, saws, &c., value.....	95,599	91,021	80,747
Manufactures of German silver, value.....	661,757	453,906	334,153
LINEN MANUFACTURES:			
Piece goods, yds.....	100,679,084	80,031,735	76,542,414
Thread.....	1,852,601	1,293,265	1,208,379
METALS—			
Iron—Pig, &c., tons.....	82,679	114,271	83,101
Bar, &c., tons.....	61,650	41,224	31,739
Railroad, tons.....	96,814	167,335	245,246
Castings, tons.....	1,516	1,159	1,103
Hoops, sheets and boiler plates tons.....	58,287	28,921	15,842
Wrought, tons.....	9,973	6,668	4,273
Steel Unwrought, tons.....	19,749	17,775	14,982
Copper, wrought, cwts.....	9,322	2,163	2,016
Lead, pig, &c., tons.....	8,114	6,737	6,591
Tin plates, cwts.....	1,025,077	1,008,283	1,164,462
Oilseed, galls.....	2,226,657	1,828,411	167,554
Salt, tons.....	155,092	112,609	142,733
SILK MANUFACTURES—			
Broad piece goods, &c., yards.....	587,167	324,206	320,000
Handkerchiefs, scarfs, &c., dozens.....	5,772	2,481	1,256
Ribbons of silk only, lbs.....	25,821	15,018	10,269
Other articles of silk only, value.....	£91,841	41,413	109,878
Silk manuf's mixed with other materials.....	£72,108	74,837	78,400
Spirits, British, gal.s.....	143,307	69,126	129,186
Wool, lbs.....	180,640	11,656	419,590
WOOLEN AND WORSTED MANUFACTURES—			
Cloth of all kinds, yards.....	4,808,000	3,146,958	2,347,156
Carpets and druggets, yards.....	4,383,175	2,532,117	2,199,509
Shawls, rugs, &c., number.....	132,388	110,546	26,227
Worsted stuffs and waistcoatings, yards.....	70,520,647	48,540,896	65,850,756

Although no activity has been apparent, there has been more firmness in the trade for wheat this week, and prices have improved—English produce having advanced 1s. to 2s., and foreign about 1s. per quarter. Millers, however, do not appear to be disposed to operate with any degree of freedom, and hence, notwithstanding that prices have advanced, sales have progressed slowly, and no great amount of business has been transacted. The fall of rain in December was very heavy, and in spite of the protracted drought during the summer months, the rain-fall in 1868 was heavier than that of 1867. This year the fall of rain has already been considerable; but the accounts from the agricultural districts, respecting the condition of the winter wheat plant, are very favorable. In most districts the wheat is healthy and strong, and bids fair to lead to an encouraging result. The imports of wheat in November were 2,847,285 cwt., against 3,903,760 cwt. in the corresponding month in 1867, and 1,995,106 cwt. in 1866. In the eleven months the imports of wheat and flour were as follows:

	1866.	1867.	1868.
Russia.....cwt.....	7,765,307	12,188,521	2,297,245
Prussia.....	3,776,641	6,232,779	4,004,655
France.....	3,344,594	596,224	44,931
Illyria, Croatia and Dalmatia.....	1,809,267	468,375	932,634
Turkey, Wallachia & Moldavia.....	426,494	2,044,970	3,030,158
Egypt.....	32,643	1,184,226	3,172,675
United States.....	475,448	3,018,860	5,513,613
Chili.....	205,843	1,906,418	1,209,575
Total, including other countries.....	20,547,088	30,677,923	30,512,493

FLOUR.

Hanse Towns	277,754	392,763	532,315
France	3, 80,582	1,109 841	543,111
United States.....	249,418	392,774	582,400
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Total, including other countries.....	4,003,133	8,040,850	2,764,468

The following is the official statement of imports from the 1st of September to the close of November in each of the three last seasons :

	1866.	1867.	1868.
Wheat	Cwt. 5,017,739	9,816,276	7,753,328
Flour.....	765,485	772, 18	940,090
Barley.....	2,270,448	1, 666,516	2,642,826
Oat	1,899,531	2,065,418	1,870,407
Peas.....	110,025	130 602	333,251
Beans.....	632,875	625 613	925,875
Indian corn.....	3,426,843	1,557,163	3,268,556

The highest average for English wheat last year was for the weeks ending April 25 and May 9, in both of which weeks it was 74s. 7d. per quarter. Last week it was 50s. 6d., so that a fall of 24s. has taken place.

The annexed sta'tement shows the magnitude of our imports of cereals in December and during the twelve months ending December 31. It may, however, be observed that so far as 'ast year is concerned, the December statement embraces a period of only 28 days :

IMPORTS IN DECEMBER.

	1865.	1866.	1867.	1868.
Wheat..... cwt.....	2,405,622	2,619,291	3,767,646	1,749,126
Barley.....	718,461	1,380,410	348,591	805,036
Oat	728,622	827,295	729,115	5 2,174
Peas.....	201,767	102, 78	204,183	193,155
Beans ...	61,511	306,639	126,031	190,970
Indian corn.....	872,537	386,364	453,117	792,159
Flour	7 5,380	569,147	552,619	296,738

IMPORTS IN TWELVE MONTHS.

	1865.	1866.	1867.	1868.
Wheat .. .	20,961,963	23,156,329	31,643,569	20,512,491
Barley	7,818,404	8,434,863	5,681,721	6,490,742
Oats .. .	7,714,230	8,844,583	9,407,136	7,660,244
Peas	781,135	1,211,835	1,581,129	817,584
Beans ...	951,312	1,324,173	1,982 615	2,463,897
Indian corn.....	7,091,023	14,322,863	8,541,429	10,560,135
Flour	3,944,471	4,972,281	3,592,969	2,764,468

For the current and for last season, the statement relating to the imports and exports of wheat and flour into and from the United Kingdom is subjoined :

WHEAT.

	Imports		Exports	
	1867-8.	1868-9.	1867-8.	1868-9.
	cwt.	cwt.	cwt.	cwt.
Sept. 1 to Dec. 26.	13,263,474	9,312,351	889,410	128,853
Week ending Jan. 2.....	871,169	444,143	9,113	576
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Total	14,134 638	10,386,499	898,573	129,429

FLOUR.

Sept. 1 to Dec. 26.....	1,809,737	1,221,193	23,156	15,630
Week ending Jan. 2.....	81,553	79,648	811	443
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Total	1,890,695	1,300,846	23,407	16,133

As regards cotton the returns show that our receipts were only about equivalent to those in 1867 :

IMPORTS OF COTTON IN DECEMBER.

	1865.	1866.	1867.	1868.
	cwt.	cwt.	cwt.	cwt.
American	779,017	407,409	409,436	437,092
Brazilian	103,873	47,721	61,800	64,867
East Indian.....	518,845	263,798	410,853	277,794
Egyptian.....	251,820	241,015	187,414	124,727
Miscellaneous.....	98,241	80,863	21,120	11,928
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Total, including other kinds.....	1,765,796	1,040,805	1,119,733	921,408

IMPORTS IN TWELVE MONTHS.

American	1,212,790	4,643,370	4,715,733	4,920,333
Brazilian.....	494,671	611,803	628,767	854,336
East Indian	2,981,765	5,493,770	4,449,259	4,075,718
Egyptian	1,578,912	1,055,900	1,127,541	1,040,725
Miscellaneous ..	1,468,901	490,955	351,357	253,717
Total, including other kinds.....	3,731,949	12,295,808	11,272,651	11,214,819

The following statement shows the exports of the principal descriptions of cotton, linen, silk and woolen goods to the United States and to France in eleven months :

TO THE UNITED STATES.

	1866.	1867.	1868.
Cotton piece goods.....yds.	102,194,882	82,985,742	68,803,263
Cotton thread.....lbs.	1,306,301	1,360,970	1,600,537
Linen piece goods.....yds.	109,679,84	80,081,785	76,532,414
Linen thread.....lbs.	1,852,501	1,298,265	1,203,379
Silk piece goods.....yds.	587,167	324,306	330,006
Woolen cloth.....yds.	4,803,000	3,146,958	2,347,156
Carpets and druggets.....yds.	4,223,515	3,533,117	3,119,509
Shawls, rugs, &c.....number	182,229	110,546	96,223
Worsted stuffs.....yds.	70,520,607	48,540,896	65,850,756
Total.....	295,414,446	222,822,585	216,976,24

TO FRANCE.

Cotton yarn.....lbs.	3,715,663	4,638,719	2,873,447
Cotton piece goods.....yds.	50,866,872	39,166,560	34,001,890
Cotton thread.....lbs.	123,025	60,822	126,131
Linen yarn.....lbs.	2,101,170	2,091,673	2,716,092
Linen piece goods.....yds.	5,023,985	4,665,786	3,294,258
Silk piece goods.....yds.	88,903	19,639	23,305
Woolen yarn.....lbs.	1,751,638	3,372,850	6,632,578
Woolen cloth.....yds.	4,326,243	7,156,297	1,713,373
Carpets and druggets.....yds.	717,557	459,572	575,334
Shawls, rugs, &c.....number	4,907	12,179	16,687
Worsted stuffs.....yds.	23,682,400	17,745,588	14,123,947
Total.....	92,163,363	80,396,680	66,496,373

In a financial point of view, the more prominent feature during the year which has just closed is the uninterrupted cheapness of money. For the greater part of 1868 the official minimum was at 2 per cent and it was not until the 18th of November that a rise to 2½ was decided upon. On the 2nd of December it was resolved to further advance the official minimum to 3 per cent, and at the close of the year the lowest rate of money was at that point. Had it not been for the numerous Russian railway loans which were brought forward, and the other foreign loans which were introduced on our market, it is not improbable that an advance in the rates would have been uncalled for. The trade of the country, although increasing, has not improved to an extent calculated to have much effect upon the money market. It was clear, however, that there was some increase, and that circumstance, combined with the fact that it was necessary to give a check to foreign government loans, justified a rise; and the event has proved that it was needed and has been beneficial, inasmuch as it has corrected the exchanges and checked the outflow of gold. Our stock of bullion, which on the 24th of June was £22,969,981 (the largest amount held at any one time during the year), declined on the 9th of December to £17,841,669, but since that period it has been increased to £18,415,658. Below we give a statement showing the condition each week of the Banks of England and France during the year. It will be seen that the largest amount of bullion held by the Bank of France was on the 26th of August, when it was £52,395,708; the lowest amount of discounts being £15,518,701. As stated above, only two alterations were

made in the Bank of England rate of discount, viz., from 2 to 2½, and from 2½ to 3 per cent. The Bank of France rate was at 2½ per cent during the whole of the year :

Week ending	Bank of England.		Bank of France.	
	Bullion.	Oth. securit's.	Bullion.	Discounts.
January 1.....	£22, 61,728	£20,125,019	£29, 22,299	£22, 16, 372
" 8.....	22, 00,071	18,300,901	29, 311,448	22, 038,436
" 15.....	22, 084,218	17,896,828	29, 994,356	21, 013,624
" 22.....	22, 200,918	16,810,986	41, 084,652	20, 65, 06
" 29.....	22, 319,625	16,616,258	41, 707,120	20, 759,000
February 5.....	21, 755,234	16,443,796	42, 558,943	19, 079,424
" 12.....	21, 605,460	16,499,809	43, 432,816	18, 744,704
" 19.....	21, 192,149	16, 265,856	44, 360,400	18, 216,638
" 26.....	21, 349,789	16, 205,515	45, 078,202	17, 846,484
March 4.....	21, 126,192	17, 511,714	45, 264,092	17, 567,852
" 11.....	21, 179,580	17, 572,261	45, 678,020	16, 963,876
" 18.....	21, 281,427	17, 777,440	46, 424,464	16, 612,708
" 25.....	21, 484,043	19, 039,888	46, 762,400	16, 625,540
April 1.....	21, 104,112	20, 193,418	46, 068,560	17, 482,252
" 8.....	20, 825,077	18, 715,640	45, 318,008	17, 542,832
" 15.....	20, 711,380	17, 798,221	45, 123,556	17, 411,240
" 22.....	20, 527,100	17, 832,818	45, 469,472	17, 089,404
" 29.....	20, 632,886	18, 083,775	45, 607,001	19, 440,801
May 6.....	20, 402,992	17, 238,404	46, 158,556	17, 576,508
" 13.....	20, 291,889	19, 200,487	46, 370,556	17, 792,556
" 20.....	20, 788,963	19, 364,724	47, 087,664	16, 831,148
" 27.....	21, 290,652	19, 272,816	47, 910,844	17, 007,900
June 3.....	21, 969,888	19, 292,180	48, 369,444	16, 731,748
" 10.....	22, 204,815	18, 850,214	48, 211,100	16, 894,976
" 17.....	22, 571,045	18, 418,635	48, 528,900	16, 481,252
" 24.....	22, 912,981	18, 160,273	48, 809,148	16, 576,008
July 1.....	22, 751,221	20, 451,631	48, 767,544	17, 371,792
" 8.....	22, 551,142	18, 412,785	48, 170,333	17, 201,812
" 15.....	22, 186,585	16, 904,426	48, 156,660	16, 525,068
" 22.....	22, 077,384	16, 000,418	48, 728,264	16, 630,808
" 29.....	21, 964,651	16, 070,801	49, 043,128	17, 616,176
August 5.....	21, 871,969	16, 292,887	49, 811,708	15, 518,701
" 12.....	20, 800,729	16, 149,757	51, 80,084	19, 847,652
" 19.....	21, 735,201	16, 174,185	52, 092,464	22, 159,960
" 26.....	20, 774,101	15, 597,078	52, 395,708	20, 798,056
Septemb'r 3.....	20, 846,658	16, 239,980	52, 571,948	19, 489,892
" 9.....	20, 726,148	16, 205,856	52, 072,085	18, 587,884
" 16.....	20, 775,992	16, 124,000	51, 959,510	17, 933,818
" 23.....	20, 964,840	15, 998,695	51, 901,088	17, 776,852
" 30.....	21, 001,136	16, 346,692	50, 948,868	17, 657,628
October 7.....	20, 707,945	16, 054,128	50, 049,795	17, 840,700
" 14.....	20, 164,200	15, 822,228	49, 172,246	18, 505,300
" 21.....	19, 947,174	15, 81,648	48, 908,469	17, 732,786
" 28.....	19, 844,861	15, 705,428	48, 259,782	18, 081,580
Novemb'r 4.....	19, 477,783	15, 728,291	47, 677,285	18, 768,520
" 11.....	19, 358,850	16, 317,65	46, 956,121	18, 610,800
" 18.....	18, 553,659	16, 873,881	46, 506,676	18, 527,380
" 25.....	18, 356,637	16, 682,170	46, 225,115	18, 853,520
Decemb'r 2.....	18, 187,448	17, 193,819	46, 736,658	19, 599,664
" 9.....	17, 841,169	17, 873,559	46, 201,558	19, 489,569
" 16.....	18, 158,315	17, 494,978	45, 764,006	19, 191,888
" 23.....	18, 291,621	18, 339,895	45, 573,856	19, 731,456
" 30.....	18, 445,858	20, 780,819	44, 309,472	25, 638,788

COMMERCIAL CHRONICLE AND REVIEW.

Activity in Financial Affairs—Transactions for the month at the two Boards—United States—Bonds sold at the New York Stock Exchange Board—Prices of Government Securities at New York—Course of Consols and American Securities at London—Railway and Miscellaneous Securities—Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.

January has been characterized by considerable activity in financial affairs. Instead of the expected reaction from the extreme stringency in money toward the close of 1868, there has been a steady, healthy feeling in the loan market, with 7 per cent as the general rate on call transactions, and 7@9 per cent on discounts of prime paper. Money has not begun to return from the South, being apparently required more than in former years for the growing retail business of that section; nor has the reflux of currency from the West been so abundant as usual at the season. It is mainly due to those circumstances that the banks

of this city held at the close of January only \$57,700,000 legal tenders, against \$71,700,000 at the same period of last year. Values on the stock market having ranged unusually high, there has been in that fact an occasion for a large demand for loans from brokers. So difficult has it been for this class of borrowers to procure money, that negotiations have been made for the "carrying" of large amounts of stocks in the European money markets for a fixed period, which loans have the double advantage to the borrower of not been liable to disturbance, and of a lower rate of interest than would be paid on this side. The fact of the market constantly verging upon a state of inconvenient stringency has induced parties carrying stocks with a view to realizing higher prices, to borrow considerable amounts on time, so as to protect them against probable derangements connected with the April quarterly bank statement; these transactions being generally done at 7 per cent, with a full "commission" added.

The stock market has exhibited unusual activity and firmness. The prospect of the completion of the Pacific Railroad has given rise to schemes for connecting the Erie and New York Central roads with the new enterprise through alliances with Western lines; and in the prosecution of these plans enormous amounts of Western stocks have been bought up by cliques, partly for the purpose of controlling the roads, and partly on the assumption that the stocks will be made more valuable through the new connections. Towards the close of the month a check was put upon the upward movement through the action of the Western legislatures looking to the reduction of fares and freights, and to counteracting the efforts of Eastern speculators to secure a protracted control over the roads of the West. There is, however, a large amount of street capital employed in the support of these schemes, and it is perhaps improbable that prices will be permitted to fall materially until the plans are worked out. This has been the main stay of the market and has encouraged a strong feeling in stocks not directly affected by the main cause.

The total transactions for the month at the two boards have been 1,527,917 shares, against 2,553,889 shares for the corresponding month last year.

Classes.	1868.	1869.	Increase.	Dec.
Bank shares ..	8,718	3,510	.....	208
Railroad " ..	2,144,181	1,817,019	.....	827,163
Coal " ..	15,400	6,553	.....	8,947
Mining " ..	4,513	31,875	.....	14,137
Improv't " ..	62,430	31,211	.....	37,119
Telegraph " ..	61,309	42,176	.....	19,133
Steamship " ..	130,540	41,349	.....	89,191
Expr'ss &c " ..	84,698	53,644	...	31,074
Total—January	2,553,689	1,527,917	.....	1,025,972

United States bonds have made an advance of from 1 to 2½ per cent, on the various issues, within the month. The large demand in January, for the reinvestment of interest, is usually attended with a larger rise than has occurred this year, especially in Sixty-Sevens, which is pre-eminently the home investment bond. This departure from the usual course has been due mainly to the persistent opposition of some leading dealers to any upward tendency of the market, based apparently upon the fact of their having neglected to stock themselves with bonds in anticipation of the special January demand. There has been a disposition in some quarters to keep "short" on the market in anticipation of Congress refusing to adopt the declaratory resolution in favor of the payment of Five Twenties in coin; toward the close of the month there was less inclination

to operate upon that expectation. At London the course of Five-Twenties has been steadily upward, the price having advanced 1 per cent within the month.

The total transactions of the month of all classes of bonds amount to \$29,635,510, against \$26,066,850 for the corresponding month of 1868.

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	Inc.	Dec.
U. S. bonds	\$18,920,400	\$20,812,050	\$2,891,650	\$2,858,500
U. S. notes	2,858,560			
St's & city b'ds	2,844,500	5,054,900	2,210,400	
Company b'ds ..	1,148,400	2,868,560	1,720,160	
Total—January	\$25,066,850	\$29,635,510	\$4,568,660	

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of January, as represented by the latest sale officially reported, are shown in the following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	6's, 1861. Coup.	6's, 1861. Reg.	6's, (5-20 yrs.) 1862.	6's, (5-20 yrs.) 1863.	16's, New 1867.	Coupon 1868.	5's, 10-4 yrs C'pn.
1.....	111½	109½	111½	107½	108½	107	107½
2.....	111½	109½	111½	107½	108½	107½	107½
3.....	111½	109½	111½	107½	108½	107½	107½
4.....	111½	109½	111½	107½	108½	107½	107½
5.....	111½	109½	111½	107½	108½	107½	107½
6.....	111½	109½	111½	107½	108½	107½	107½
7.....	111½	109½	111½	107½	108½	107½	107½
8.....	111½	109½	111½	107½	108½	107½	107½
9.....	111½	109½	111½	107½	108½	107½	107½
10.....	111½	109½	111½	107½	108½	107½	107½
11.....	111½	109½	111½	107½	108½	107½	107½
12.....	111½	109½	111½	107½	108½	107½	107½
13.....	111½	109½	111½	107½	108½	107½	107½
14.....	111½	109½	111½	107½	108½	107½	107½
15.....	111½	109½	111½	107½	108½	107½	107½
16.....	111½	109½	111½	107½	108½	107½	107½
17.....	111½	109½	111½	107½	108½	107½	107½
18.....	111½	109½	111½	107½	108½	107½	107½
19.....	111½	109½	111½	107½	108½	107½	107½
20.....	111½	109½	111½	107½	108½	107½	107½
21.....	111½	109½	111½	107½	108½	107½	107½
22.....	111½	109½	111½	107½	108½	107½	107½
23.....	111½	109½	111½	107½	108½	107½	107½
24.....	111½	109½	111½	107½	108½	107½	107½
25.....	111½	109½	111½	107½	108½	107½	107½
26.....	111½	109½	111½	107½	108½	107½	107½
27.....	111½	109½	111½	107½	108½	107½	107½
28.....	111½	109½	111½	107½	108½	107½	107½
29.....	111½	109½	111½	107½	108½	107½	107½
30.....	111½	109½	111½	107½	108½	107½	107½
First	111½	109½	111½	107½	108½	107	107½
Lowest	111	109	111½	107½	108½	106½	107½
Highest	112½	111½	113½	109½	110½	108	109½
Range	1½	2½	2½	2½	2½	2	2½
Last.....	112½	111½	113½	109½	110½	108	109½

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

The closing prices of Five-Twenties at Frankfort in each week ending with Friday, were as follows :

Dec. 4. 76½@79½	Dec. 11. 78½	Dec. 18. 78½	Dec. 25. Christmas	Month. 78½@79½
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The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities quoted at the New York Stock Exchange during the months of December, 1868, and January, 1869 :

	December				January			
	Open.	High.	Low.	Clos.	Open.	High.	Low.	Clos.
Railroad Stocks—								
Alton & Terre Haut.....	....	....	....	....	41	42½	39	43
do do pref.....	61	65	60½	61	61	60½	61	61½
Boston, Hartford & Erie.....	26	26	26	26	27	28	27	27½
Chicago & Alton.....	146	147	140	147	147	151	147	150
do do pref.....	146½	146½	138½	145	148	150	148	150
Chicago, Burl. & Quincy.....	173	175	170	175	190	200	185	188
do & Gt. Eastern.....	....	....	....	....	42	48	43	46
do & Northwest'n.....	86	86½	74½	81	81	84½	81	84½
do do pref.....	97½	88½	75½	83½	84½	92	88½	91
do & Rock Island.....	107½	118	106½	118	118½	125½	117½	123½
Cin., Ham. & Dayton.....	....	....	....	....	77	77	77	77
Columb., Chic. & Ind. C.....	85½	41	85½	41	45	50	43½	57
Clev. & Pittsburg.....	87½	88½	82	84	84½	96½	82½	96½
do & Toledo.....	100½	102½	96½	101	100½	107	100½	105½
do Col., Cin. & Ind.....	71	77	74½	74½	74	75	73	73
Del., Lack. & Western.....	131	131	125	125	129½	120½	119	119½
Dubuque & Sioux city.....	97	97	97	97	94	97	94	97
do do pref.....	96	96	96	96	....	....	....	....
Erie.....	39½	41	37½	38½	38	40½	38	38½
do pref.....	60	65	61	65	63	64	61½	63
Harlem.....	125	128	120	125	125½	142½	125	135
do pref.....	120½	120½	12½	120½	....	....	....	....
Hannibal & St. Joseph.....	90	91	90	90	90	110	90	110
do do pref.....	91½	93½	90	90	91½	110	91½	108
Hudson River.....	132	135½	124½	135½	135½	137½	130	135½
do do scrip.....	93	93	90	93	....	....	....	....
Illinois Central.....	144	144½	140	140	142½	144½	139	139
Joliet & Chicago.....	....	....	....	....	92	92	92	12
Long Island.....	....	....	....	....	46	46	45	45
Lake Shore.....	100	101	95	99	99	103	99	102
Mar. & Cincin., 1st pref.....	25	25	22½	22½	....	....	....	....
do do 2d.....	....	....	....	....	9	9	9	9
Michigan Central.....	118½	129	115	116	115	121	114	120
do S. & N. Ind.....	88½	89½	84½	87½	88½	96	87½	96½
Milwaukee & St. Paul.....	70½	70½	63	69	68	77½	69	77½
do do pref.....	89	89	81½	86½	89	96½	87½	94
Morris & Essex.....	90	93	85	87	86	87½	85½	87
New Jersey.....	133½	133½	132½	133	128	130	128	130
do Central.....	115	117	110½	115	115½	116½	112½	113
New York Central.....	128½	159½	123½	159	159½	166½	154½	163½
do & N. Haven.....	140	140	140	140	139	150	139	155
Norwich & Worcester.....	91	91	91	91	95	100	95	97
Oil Creek & Alleghany.....	80	80½	80	80	77	77	77	77
Ohio & Mississippi.....	31½	34½	29½	34½	34½	39	32½	39
do do pref.....	....	....	....	....	77	77	77	77
Panama.....	330	340	327½	340	348	343	340	344
Pittsb., Ft. W. & Chica.....	111½	114	109	111½	113½	124½	112½	124
Reading.....	98½	98½	96½	96	93	98½	93	97½
Rensselaer & Saratogo.....	93	93	93	93	....	....	....	....
Rome & Watertown.....	113	115	113	115	....	....	....	....
Stonington.....	82	83	83	83	80	80	80	80
Toledo, Wab. & Western.....	58	59	53½	59	59½	67	59½	65
do do do pref.....	70½	70½	70	70½	74	78	73	78
Miscellaneous—								
American.....	....	....	....	....	48	48	48	48
Central.....	....	....	....	....	50	61	57	64
Cumberland Coal.....	39½	39½	36	36	38	39	37	36½
Del. & Hud. Canal Coal.....	131	134	130	130½	130½	132	125½	136
Pennsylvania Coal.....	....	....	....	....	215	222	215	222
Spring Mountain Coal.....	....	....	....	....	40	40	40	40
Atlantic Mail.....	21	21	21	21	21	22	21	22
Pacific Mail.....	118	120½	111½	118½	119½	123½	117½	121
Boston Water Power.....	15	14½	13½	13½	13½	16	13½	16
Canton.....	50½	50½	47½	49½	49½	62	49½	61
Brunswick City.....	....	....	....	....	10	20	9½	10
Mariposa.....	5½	5½	4½	5	6	8½	6	7½
do pref.....	21	21½	19	20	21	25½	20	24
Quicksilver.....	23½	23½	20½	23	22	26	22	24½
Manhattan Gas.....	20	220	220	220	220	220	220	220

West. Union Telegraph.....	38%	37%	38	3 1/2	34	38%	38%	38%
Bankers & Brokers Ass.....	100	100	100	100	100	101	100	101
New York Goods.....	....	....	....	....	5	5	5	5
Express—								
American.....	45	45	45	45	....	....	....	....
American M. Union.....	42	42	42	42	33 1/2	41	38	45
Adams.....	50	50	49	43 1/2	48 1/2	45	48	64 1/2
United States.....	45	45 1/2	45	45	43	59	49	55 1/2
Merchant's Union.....	18 1/2	15 1/2	14 1/2	14 1/2	14 1/2	18 1/2	12 1/2	17 1/2
Wells, Fargo & Co.....	25	26 1/2	25	25 1/2	24	30 1/2	28	30 1/2

The following formula will show the movement of coin and bullion during the month of January, 1868 and 1869, respectively :

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK.

	1868.	1869.	Increase.	Decrease
In banks, near first	\$10,971,969	\$30,736,122	\$19,764,153	\$...
Receipts from California.. ..	1,941,109	1,808,523	....	132,586
Imports of coin and bullion.....	124,720	189,903	45,183	....
Coin interest paid.....	11,877,361	12,513,453	636,092	....
Redemption of loan of 1847-'48	4,454,500	25,000	....	4,443,000
Total reported supply.....	\$29,094,299	\$41,252,508	\$12,158,204	\$...
Exports of coin and bullion.....	\$7,330,181	\$2,351,472	....	\$5,078,659
Customs duties	7,204,590	9,702,415	2,497,825	....
Total withdrawn	\$14,534,771	\$11,953,887	\$...	\$2,580,884
Excess of reported supply.....	\$14,549,578	\$29,298,716	\$14,750,138	\$.....
Specie in banks at end.....	23,956,390	27,744,923	3,788,533	....
Derived from unreported sources ..	\$9,405,742	\$1,514,792	\$.....	\$7,890,949

The course of gold has been a disappointment to perhaps a majority of operators. It appeared to be taken for granted that, as usual, after the payment of the January interest the premium would advance, and that the rise would be stimulated by a considerable export of specie; and, under this idea, large amounts of gold were bought early in the month and held through. Exchange, however, notwithstanding a scarcity of cotton bills, ruled low, and the export of specie were only \$2,250,000, against \$7,330,000 in the same month of 1868; this course of the foreign exchange, together with a pacific settlement of the Eastern question, produced a feeling of disappointment, with a consequent large amount of selling, and the month closed upon a weak market. The main cause of the lightness of the exports of bullion appears to have been that a considerable amount of bills were made against loans negotiated in Europe upon stock collaterals and against European purchases of stocks, especially Northwestern preferred and Rock Island, on this market. The arrivals of treasure from California have been about the same as last year. The payments of coin interest at the Sub-Treasury were \$7,000,000 in excess of those of January, 1868; while the customs payments have been \$2,500,000 above that period, the result being that, at the close of the month, we have \$3,730,000 more specie in the banks than a year ago.

COURSE OF GOLD AT NEW YORK.

The following exhibits the quotations at New York for banker 60 days bills on the principal European markets daily in the month of January, 1869 :

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London. cents for 64 pence.	Paris. centimes for dollar.	Amsterdam. cents for	Bremen. cents for	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1.....		516 1/2	41		86 1/2	71 1/2
2.....		516 1/2	41		86 1/2	71 1/2
3.....		516 1/2	41		86 1/2	71 1/2
4.....		516 1/2	41		86 1/2	71 1/2
5.....		516 1/2	41		86 1/2	71 1/2
6.....		516 1/2	41		86 1/2	71 1/2
7.....		516 1/2	41		86 1/2	71 1/2
8.....		516 1/2	41		86 1/2	71 1/2
9.....		516 1/2	41		86 1/2	71 1/2
10.....		516 1/2	41		86 1/2	71 1/2
11.....		516 1/2	41		86 1/2	71 1/2
12.....		516 1/2	41		86 1/2	71 1/2
13.....		516 1/2	41		86 1/2	71 1/2
14.....		516 1/2	41		86 1/2	71 1/2
15.....		516 1/2	41		86 1/2	71 1/2
16.....		516 1/2	41		86 1/2	71 1/2
17.....		516 1/2	41		86 1/2	71 1/2
18.....		516 1/2	41		86 1/2	71 1/2
19.....		516 1/2	41		86 1/2	71 1/2
20.....		516 1/2	41		86 1/2	71 1/2
21.....		516 1/2	41		86 1/2	71 1/2
22.....		516 1/2	41		86 1/2	71 1/2
23.....		516 1/2	41		86 1/2	71 1/2
24.....		516 1/2	41		86 1/2	71 1/2
25.....		516 1/2	41		86 1/2	71 1/2
26.....		516 1/2	41		86 1/2	71 1/2
27.....		516 1/2	41		86 1/2	71 1/2
28.....		516 1/2	41		86 1/2	71 1/2
29.....		516 1/2	41		86 1/2	71 1/2
30.....		516 1/2	41		86 1/2	71 1/2
Jan., 1869..	100 1/2 @ 100 1/2	516 1/2 @ 516 1/2	41 @ 41 1/2	78 1/2 @ 79 1/2	86 1/2 @ 86 1/2	71 1/2 @ 71 1/2
Jan., 1868.....	100 1/2 @ 110 1/2	517 1/2 @ 517 1/2	41 1/2 @ 41 1/2	78 1/2 @ 79 1/2	86 1/2 @ 86 1/2	71 1/2 @ 71 1/2

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.	Ag. clear'gs.
January 2....	\$259,190,037	\$20,784,123	\$34,379,109	\$180,490,445	\$18,823,431	\$585,101,799
January 9....	268,792,563	27,331,730	34,314,256	187,907,539	51,14,128	707,712,031
January 16....	262,818,231	29,258,556	34,372,133	195,464,843	52,927,033	675,766,511
January 23....	264,161,619	28,864,197	31,256,216	197,101,168	51,022,119	677,231,543
January 30....	263,171,09	27,784,923	31,231,186	196,925,473	54,747,569	630,767,34
February 6..	268,641,732	27,489,404	34,246,485	196,602,609	53,614,183	670,229,479

PHILADELPHIA BANK RETURNS.

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.....	\$51,716,999	\$252,453	\$13,210,397	\$33,121,023	\$10,563,719
January 11.....	51,642,237	244,691	13,407,109	33,753,511	11,561,573
January 18.....	52,121,733	478,462	13,729,493	32,625,158	10,685,560
January 25.....	52,537,015	411,877	14,031,670	32,535,464	10,542,914
February 1.....	52,632,813	32,781	14,666,570	32,677,943	10,549,251
February 8.....	52,032,716	237,011	13,785,595	32,030,399	10,568,539

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.....	\$28,423,644	\$1,303,401	\$12,922,832	\$37,538,767	\$25,121,345
January 11.....	10,727,071	3,075,814	12,347,700	38,032,891	25,276,667
January 18.....	102,205,409	2,617,659	12,912,327	39,717,193	25,343,233
January 25.....	102,069,943	2,394,710	12,373,674	39,651,747	25,373,300
February 1.....	101,046,153	2,161,304	12,464,225	40,223,463	25,312,977
February 8.....	101,312,435	2,073,908	12,432,705	39,693,857	25,323,037

THE
MERCHANTS' MAGAZINE
AND
COMMERCIAL REVIEW.

MARCH, 1869.

INFLUENCE OF RAILROADS IN DEVELOPING THE WEALTH OF THE COUNTRY.

BY GEN. H. WALBRIDGE, OF NEW YORK.*

I propose to discuss the influence that railways exert in the creation of wealth, and apply them in a more particular manner to those great national works which, in the United States, are to connect ocean with ocean, and open to settlement and commerce vast tracts of the national domain, now deserts, and which must remain such till touched by the quickening hand of those mighty agents, the use of which is the peculiar feature and the glory of the present age.

The use of these agents—the forces of nature—marks the dividing line between the old and the new. The first use of steam, as a motive power, is within the memory of the middle-aged. Previous to 1830 muscular action was the sole agent employed in the movement on land,

*This article has been revised for the MAGAZINE by the writer who delivered the substance of it at the meeting of the National Board of Trade at Cincinnati.

both of persons and property. In this respect society had remained stationary from earliest history. The great Alexander and the great Napoleon employed precisely the same means, in their wonderful marches for the transportation of men, supplies, and the material of war.

Under the old regime the cost and impotence of muscular action was so excessive as to restrict commerce in the more bulky articles—articles, too, of chiefest account in social economy, food for example—within very narrow limits. Hence the extravagant importance attached to portable articles of high value, such as gold and silver. At an early period, a half dozen of articles made up the staple, almost, of the commerce of the world. In this matter the experience of our own people covers the whole ground. Our markets are all within a narrow belt lying immediately upon the seaboard. Previous to the construction of improved highways they could be reached only from a very limited area. The report submitted to the Legislature of the State of New York in 1817, and which led to the construction of the Erie Canal, stated the cost of transporting a ton of freight, at that time, from Buffalo to the City of New York, to be \$100—a sum exceeding twice the value of wheat at Buffalo, and four times that of corn! The time required was twenty days.

Such is an illustration of the condition of the internal commerce of our country forty years ago. The nature of the soil in most of the States rendered the construction of ordinary highways very difficult. Neither railroads nor canals existed. Commerce was restricted, consequently, to water-courses navigable by steamboats, barges, and even to batteaux. Over nine-tenths of our inhabited territory, the produce of the soil was without commercial value—that is—the cost of sending it to market far exceeded the sum it would sell for. The labor of the farmer, consequently, instead of being directed to objects that would produce the greatest value, was necessarily employed in the production of nearly every article going into domestic consumption. The family was obliged to be, in a great measure self-supporting. The loss attendant upon a constant change of the objects of labor was so great that little more was produced than was necessary to meet the daily accruing wants. The accumulation of wealth was a process exceedingly slow, and its possessors a mere fraction of society. All this is within the experience of nearly every one that hears me. Each one of you, of middle age, went forth to school, and from the school to the world, clad in home-spun. You could not buy the product of others because you could not sell your own. The labor upon the farm in which almost the whole nation was employed was, owing to the want of those mechanical aids now so universal, comparatively unproductive. There was no stimulus to improvements for the abridgement of toil, because, with the existing state of highways,

there was hardly any demand, out of the family, for what could be produced.

Such is a brief picture of the past—of the old *regime*. In locomotion society remained stationary for six thousand years, and till, within the memory of all, the forces of Nature came to its aid. The power gained by a substitution of steam for muscles, and by highways of comparatively straight lines and smooth surfaces, is almost incalculable. The locomotive upon the railway exerts the power of two thousand horses upon an ordinary highway—that is, it will move in a day as many tons, one mile, as two thousand horses. But the cost of providing the two thousand horses and a thousand wagons, with that of their maintenance, exceeds tenfold that of the locomotive and cars of the capacity of two thousand tons. With these brief data the arithmetic is simple, although the comparative results are most astounding. As incredible as they seem, they only mark the magnitude of the revolution which the physical sciences have wrought in favor of man.

We have said enough to show that in this country its internal commerce is a creation of the new agencies which the last half century has set at work. Our commerce, wealth, and our population, even, are simply the results of the new methods. They have advanced precisely in ratio to the value and efficiency of the agencies we have employed. These agencies, wherever introduced, have given a market to labor at its door. The corn that now supplies the Eastern markets, as well as those of Europe, is grown more than one thousand miles inland. This corn would not bear transportation over the ordinary roads of the West more than one hundred and fifty miles. Over the railroad it is borne seven fold that distance, at the same time producing an ample profit to the producer. Wheat will bear a transportation three hundred and thirty miles over an ordinary road. The great supplies to the Eastern markets are now grown fifteen hundred miles distant. But for railroads the area from which the Eastern market could draw their supplies of cereals, without an enormously increased price, would have been upon a radius of one hundred and fifty and three hundred and thirty miles, respectively. With these works, owing to the economies that are being daily made in transportation, every acre of arable land on the continent, no matter how far distant from the great seats of consumption, may be cultivated with profit.

Previous to the opening of the Erie Canal in 1827, the tonnage crossing the Alleghanies range in both directions, and from the Lakes to New York, did not exceed 15,000 tons. This tonnage consisted almost wholly of merchandise going West—the cost of transportation being a complete bar to the movement, East, of Western produce. The only outlet of the interior was the Mississippi river, with its tributaries, the navigation of

which was most tedious and hazardous, and so expensive as to leave little profit, either to the forwarder or producer. The opening of the Erie Canal was an epoch in the commerce of the country, but it exerted, for the first ten years, but little influence beyond the route immediately traversed. So late as 1836, the total amount of tonnage from the Western States coming through this channel to tide-water, equaled only 56,000 tons. Before the Western States could avail themselves of it they had to connect their territories with it, and with the Lakes, by canals, or by the best earthroads they could construct. In 1846 the amount of Western produce reaching tide-water by canal was 419,000 tons. In 1851, the date of the opening of the Erie Railroad, and the removal of the restrictions on the transportation of freight on the New York Central Railroad (which was first opened in the Fall of 1842), the tonnage of Western produce on the Canal had reached 965,993 tons. This tonnage measured to a very great extent the commerce then existing between the Eastern and Western States. In 1867 the united through tonnage of the five great lines between the two sections—the Erie Canal, the New York Central, Erie, Pennsylvania, and Baltimore and Ohio Railroad—equaled 6,000,000 tons, having a value of \$1,200,000,000.

At the date of the opening of the Erie Railway, and the enfranchisement of the Central Railroad, there were 10,000 miles of railway in operation in the United States. The total tonnage of the merchandise transported over them could not have exceeded 5,000,000 tons, of the value of \$150 per ton, or of the aggregate value of \$750,000,000. On the 1st day of January, 1868, the mileage of our railroads had gone up to 39,000 miles. The tonnage of merchandise transported over them equaled 50,000,000 tons, having, at the above estimate, a value equal to \$7,500,000,000. In a period of seventeen years the mileage of our railways had increased nearly 400 per cent their tonnage 1,000 per cent with a corresponding increase of value. The population of the country, in the meantime, had increased from 24,000,000 to 36,000,000, or at the rate of 50 per cent. In other words, the increase of the commerce of the country, borne upon railroads, has been 2,000 fold greater to that of our population. In 1851, the freight moved upon all the railroads equaled 417 pounds per head of population. Its value equaled say \$31 per head. In 1868 the tonnage equaled 2,777 pounds per head, having a value of \$210 per head. The increase of the tonnage of railroads for the period named has been wholly a creation of these works, as there has, at the same time, been a very large increase of merchandise moved upon the water-courses of the country.

In 1851 the cost of the 10,000 miles of railway then in operation in the United States equaled \$200,000,000. In 1868 the cost of the

39,000 miles equaled \$1,600,000,000. The investment since 1851 of \$1,400,000,000 consequently, has been the means of an annual creation of a commerce having a value five fold greater, or \$6,750,000,000! Every dollar invested in our railroads is the direct means of creating, annually, five times the amount, so marvelously potent are the new agencies that science, within the memory of us all, has brought to the aid of man. In their use we have at last hit upon the method of nature—of Providence—and enjoy in some degree his infinite attributes, in wielding, for our own use, the laws that uphold and control the material world.

The results achieved in a single State, will be found, on examination, to be quite as striking as is the aggregate for the whole nation. There were in the State of Illinois in 1851, 250 miles of railway, the cost of which was about \$7,500,000. The tonnage of these roads, only just opened could not have exceeded 100,000 tons, having a value, say of \$15,000,000. At the close of 1867 there were 3,250 miles of railroad in operation in the State, having a tonnage traffic of at least 5,000,000 tons, possessing a value of at least \$750,000,000. The cost of the roads equaled \$130,000,000. The value of the commerce transported over them in one year equaled, very nearly, six times their cost. In 1851 the number of pounds of merchandise transported by these roads equaled about 200 pounds per head of population. In 1867 the tonnage transported exceeded 4,000 pounds, or two tons per head. The value of the tonnage per head in 1851 was about \$15; in 1867 it was equal to \$330 per head. This unexampled increase was wholly due to the construction of railroads, as there has in the meantime been a very large increase in the tonnage on the water-courses of the State. It will be borne in mind that the tonnage of railroads of this State consists almost entirely of the products of agriculture which will bear transportation for only a comparatively small distance, over ordinary roads. These products are now forwarded, on an average, 1,200 miles, before reaching a market.

The population of Illinois now makes one-fifteenth of that of the whole country. It now defrays one-fifteenth of the whole burdens of the General Government. Its proportion of the Federal taxes equals \$24 000,000 annually. Its ability to pay this vast sum is almost entirely due to the railroads that have been constructed within it during the past fifteen years. Toward their construction the Federal Government never contributed a penny. It did, however, in 1850, make a valuable land grant to the State in favor of the Illinois Central Railroad, which secured the speedy construction of this great work, and gave a wonderful impulse to the construction of other important lines. The additional price charged for reserved lands yielded to the national treasury the same sum that

would have been realized if the grant had not been made. If by the use of similar means we can create another Illinois so far as concerns its population, wealth, and value to the Union, we shall in an equal degree lighten the burdens resting upon us. A vigorous movement in this direction, consequently, is the dictate of sound statesmanship, as well as of enlightened self-interest.

By what means shall we repeat the example of Illinois? The first condition exists in a vast, fertile, and unoccupied public domain. But, unlike, Illinois, Iowa, and Minnesota, it cannot be reached by navigable water-courses, that were the routes of the pioneers, and enabled them to gain a foothold in these States, and in time to acquire sufficient strength to undertake enterprises not necessary to the maintenance of their own existence. But for these water-courses, the Mississippi River, and the Great Lakes, these States, to-day, would have been in the condition of the boundless unoccupied plains of the Upper Missouri, of the Red River of the North, and of the Rio Grande. These States had almost every possible natural means of access. The artificial means came in good time. The former, however, were the necessary antecedents of the latter. But for the natural, the artificial works could never have been constructed.

Now, the proper duty and function of the Federal Government is to correct this oversight of nature in not giving the means of access to vast portions of our public domain. In place of great water lines it must supply what is far better—a great trunk line of railway, to enable the pioneers to gain a foothold upon the soil. It is only by means of such works that such a foothold can be gained, and strength acquired sufficient, as in the Western States, to carry forward whatever enterprises may be necessary and proper for the promotion of their well-being. From the western end of Lake Superior to the base of the Rocky Mountains, some 1,200 miles, is a vast fertile plain, but now wholly destitute of the means of transportation. The Missouri, though a valuable auxiliary to a railway, is of itself wholly inadequate to meet the commercial wants of the country it traverses. A railway from the lake to the mountains, which could be built at an expenditure of \$20,000,000 by the Federal Government, would open to settlement an area five times greater than that of Illinois. Now, with such an expenditure we should repeat Illinois many times, and just as quick as the movement of an adequate number of people and the creation of new industries could be effected. As already remarked, the arithmetic of all this is perfectly simple. Supply the means of transportation, and the tide of population, flowing over the new territory, will keep pace with the progress of the railway, so that, when the mountains are reached, the territories now deserts will present themselves to Congress with all the conditions necessary to entitle them to become members of the Union.

These remarks apply with equal force in favor of a great line of railroad crossing the continent upon the general routes of the 35th or 32d parallels. In this division of the Union is a territory embracing many hundred thousand square miles, large portions of it of great fertility, and with a vast mineral wealth to compensate for any barrenness of soil, for the want of suitable highways utterly cut off from settlement, and from commerce. Such a work would give an access to the northern provinces of Mexico, whose great wealth in mineral and soil is well known, as well as to our own territories. In this direction we can repeat, many times; Illinois and Missouri, as well as in the North. The Southwest, is the region which is to supply animal food and wool, while the Northwest is peculiarly adapted to the growth of wheat, which has a very limited belt in this, as in the Old World. The two sections are complements that will supply all the prime articles entering into domestic consumption.

Such is a plain statement of the proposition before us. Can we afford to allow vast tracts of fertile country to remain wastes simply for the want of a few millions of dollars, to be expended in opening them to settlement? Certainly not. The process of aiding such works will be a paying one from the start. The immediate increase of consumption by the inhabitants of the newly-opened territories of the manufactures of the older States will more than make up the proportion, to the latter, of any expenditures they may be called to make; while the taxes paid to the Federal Government by the inhabitants of the new Territories and States will speedily repay all the advances to be made. When it is considered what Government would gain in the transportation of troops, supplies, and munitions of war, it is not probable that it would at any moment be a dollar out of pocket, while it is certain that in a very short time it would be repaid, more than tenfold, for all the advances made.

The experience already afforded by the progress of the Union Pacific Railroad perfectly sustains all the positions I have taken. The States of Kansas and Nebraska, from the advantages and stimulus supplied by this great work, with its branches, are fast repeating the example of Illinois. Their increase in population and wealth is much greater than was that of Illinois, at a corresponding period in the history of the latter. No one who examines the subject can avoid the conclusion that already, in a pecuniary sense, has the Government gained immensely by the aid it has extended to these works. They have built up two great States, whose population are the most profitable consumers of the products of the Eastern States, and whose contributions to the national treasury far exceed the interest on the bonds issued in their aid. In a few years such contributions will annually exceed the principal of such bonds, when the Government will be receiving, annually, cent per cent upon the investment it has made.

With such demonstrations before me, I cannot doubt the expediency of further aid by the Federal Government in opening up other sections far more fertile and valuable than that traversed by the Union Pacific Railroad. It cannot afford to allow an acre of valuable soil or mineral to be beyond the reach of commerce or of human life. All it has to do is to supply a few great trunk lines. From these offshoots will be carried by private enterprise to every section, so as to supply the means of cheap transportation for any ton of produce or of mineral that may be raised.

THE DARIEN SHIP CANAL.

BY J. C. BAYLES.

The success which has attended the mission of Mr. Caleb Cushing to the United States of Colombia, invests the discussion of the proposed Darien Ship Canal with a new interest. Of course it cannot, as yet, be regarded as anything more than a scheme, nor as much nearer a successful completion than before the treaty was drawn up, for opposition from the Colombian government was not to be anticipated. In fact, the suggestion of the treaty now submitted to Congress first emanated from the Colombian Minister at Washington; and considering the short time found necessary to complete the negotiations, it is evident that that government was quite ready to grant a right of way. The treaty has already been submitted to Congress, by which it will doubtless be ratified, as it imposes, we understand, no obligations on the government, and provides for no further expenditures than are already included in previous appropriations. As soon as the treaty is ratified it is intended that surveys shall be made, with a view to determining the most practical route and estimating the probable cost of the work. Congress has already appropriated \$40,000 for this purpose, but considering the difficulties which will interfere with the progress of the expeditions and the time required to thoroughly determine the topography of a country of which so little is known, the amount needed must very greatly exceed the sum named.

The idea of a canal across the Isthmus of Darien is more than three centuries old. It was first suggested to Philip II. of Spain in 1528, and the plan then proposed was to connect the Chagres and Grande rivers, and so reach the Pacific near the present site of Panama. This route was actually surveyed, as perfectly as they knew how, by a party of Flemish engineers, but as many difficulties were found which, at that time, were considered insurmountable, all idea of undertaking the work was abandoned. Nothing further was attempted until 1826, when the scheme was again agitated by General Bolivar, who made somewhat extensive explorations in the following year, assisted by a corps of accomplished engineers. Their labors were not abandoned until three years later, and

the result accomplished by them was the discovery of the important fact that a railroad, if not a canal, was practicable. The canal scheme was again talked of in 1843, at which time a series of valuable surveys were made under the auspices of Louis Philippe, by N. Garella, who made a very full and valuable report, in which he gives what he believed to be the most practicable route. Mr. Garella's canal was to have made use of the Chagres River for twenty miles or more, branching off just below the point where it ceases to be navigable for large vessels. From this point it inclined North West and reached the Pacific at the Bay of Vaca de Monte; some twelve or fifteen miles above the present city of Panama. Nothing further was done in the matter until 1852 and 1855, when various privileges were granted by the New Granadan government to Dr. Black and others, who proposed to organize a company and undertake the work. These parties never availed themselves of the privileges granted them, however; chiefly because the completion of the Panama Railroad, which was begun in 1850 and finished in 1855, led, for the time at least, to the abandonment of the idea by those on whom it depended to furnish the necessary capital. But in 1862 the matter was again talked of. Colonel Totten, the engineer of the Panama Railroad, at that time proved that the supposed difference in the levels of the Atlantic and Pacific Ocean was a mistake, thus removing what had always been regarded as the most serious obstacle in the way of building the canal. Since that time, various projects have been started, but none of them have amounted to anything more important than gigantic schemes with small promise of realization.

The present movement, however, originated in the anxiety felt and expressed by the Colombian government to secure the construction of an improvement that would greatly add to its wealth and importance, and at the same time cost that government nothing. The Colombian Minister requested Mr. Seward to ascertain, if possible, to what extent the people of the United States could be relied on for carrying out the project, and with this object in view, the Secretary of State arranged with several prominent gentlemen to call the meeting, which met at the house of Peter Cooper, in this city. Under a charter granted by the New York Legislature, an organization was effected and Commissioners appointed to receive subscriptions to the capital stock of \$100,000,000—the amount considered necessary to complete the work. None of this amount has yet been subscribed, however, nor is it likely to be until something more definite is ascertained by survey and exploration concerning the nature of the country and the relative practicability of the several routes proposed or suggested. It will be seen, therefore, that the company with its cash capital of \$100,000,000, of which we have heard so much lately, is only prospective as yet.

Although we do not regard the construction of a canal across the Isthmus as by any means an impossibility, in this age of the world, we doubt if the real difficulties in the way of such a work are fully appreciated by any except the very few who by long experience have become thoroughly acquainted with the character and geography of the country through which it is proposed to construct it. The part of the Isthmus to be crossed by the canal is only thirty-two miles in width, but it is traversed by the Cordileras mountains, which present the most serious of the many obstacles in the way of the undertaking. Through this range of rocky and precipitate hills, the only pass as yet known where a canal would appear to be practicable, is that now occupied by the Panama Railroad. Some other feasible pass may be discovered if extensive surveys are made, but only at a great expenditure of time and money. Several routes are however even now contemplated, one of which necessitates the cutting of a tunnel seven miles in length through the mountains, that shall be at least 130 feet in diameter, so as to pass full rigged vessels of the largest size, freighted. This scheme appears to be so wholly impracticable that it is not likely to receive serious consideration from engineers or capitalists. Other routes have been suggested which require no tunnels, but make necessary long and deep cuts through solid rock at almost as great an expenditure of time and money. Whatever plan, however, is adopted, the canal must be built through about thirty miles of the most difficult excavations, and if it is ever completed will be one of the greatest engineering projects ever undertaken in ancient or modern times.

As we before stated, the only route at present thought to be practicable by engineers who are acquainted with the topography of the country, is the pass now occupied by the Panama Railroad, to which the Colombian government has guaranteed rights and privileges which any other company or corporation proposing to establish communication across the Isthmus will have to purchase, or pay damages to the railroad nearly equal to its value. In the contract between the Colombian government and the Panama Railroad, reformative of that of April 15th, 1850, it is provided as follows:

The Government of the Republic binds itself during the time in which the exclusive privilege which is conceded to the Company for the working of the railroad remains in force, not to construct for itself, nor to concede to any person or company, by any title whatever, the power to establish any other railroad on the Isthmus of Panama; and it also stipulates that while the said privilege continues in force the Government shall not have the power of undertaking for itself, nor of permitting any person to undertake, without the concurrence and consent of said Company, the opening or working of any maritime canal which may unite the two oceans across the said Isthmus of Panama, to the westward of the line of Cape Tiburon on the Atlantic and of Point Garachine on the Pacific. But it remains stipulated that the right which is conceded to the Company to give its consent does not extend to its opposing the construction of a canal across the Isthmus of Panama (except upon the route of the railroad itself) but only to its exacting an equitable price for such a

privilege and as indemnification for the damages which the Railroad Company may suffer by the rivalry or competition of the canal.

If the sum which may be demanded by the Company shall not appear equitable to the Government of the United States of Colombia, then it shall be fixed by arbitrators in New York or Panama, one to be named by the Government, the other by the Company, and in case of their not agreeing, the two shall name a third, whose decision shall be without appeal. In pronouncing their decision the arbitrators shall take into consideration the grounds upon which the Company rests and the information which the Government shall give upon the matter, and in view thereof shall decide, without appeal, as they may deem most just and equitable. The sum, whatever it may be, which shall be finally designated, shall belong one-half to the Railroad Company and one-half to the Government of Colombia.

As the opening of a ship canal across the Isthmus would of course destroy the value of a road which has no local traffic to sustain it, an equitable decision of the arbitrators would in all probability allow damages to its full value. It will be seen that the company has the right to oppose the construction of a canal through the pass in which the railroad is situated, and it would undoubtedly avail itself of the privilege. Considering therefore the money required to build the canal even at the most available point, the cheapest and best course for those proposing to undertake the work would be to buy up the railroad. The market value of the stock is now three hundred and forty, and if an effort was made to purchase it, its value would probably rise to four hundred. This would make the road worth twenty-eight million dollars to the purchasers. As soon as the canal company controlled its affairs, however, it would be able to avail itself of the advantages offered by the pass through the mountains which that road now monopolizes. The price it would cost would be well invested, since in building the canal on the line of the road, the company would save from fifty to one hundred million dollars, at least in making surveys and in moving the material necessary for the work. The pretended surveys of another route by Lacharme—an account of which is published in the March number of Putnam's Magazine—are deserving of but little credence. Many of the calculations, particularly those of the attitude of the proposed upper levels, are very incorrect, as they were made with an old and valueless barometer belonging to the railroad company, upon which its owners had long ceased to place any dependence. In one instance where Lacharme reports an attitude of less than three hundred feet, more accurate and trustworthy surveys show nearly six hundred. We merely mention this incidentally, in order that the friends of the project may not be led to under estimate the difficulties in the way of carrying it out successfully.

Of course, as we have already stated, we do not regard the cutting of a canal across any part of the Isthmus as an impossibility. Money and muscle can all accomplish anything in the way of grand material enterprises, and modern engineering skill can remove mountains or fill up the

sea—if means and men enough can be found to prosecute the work. The only question is, how can it be done so as to make it pay for any government or association of private individuals to undertake the work. To settle this great question we should first familiarize ourselves with the difficulties to be encountered; for it is no trifle that is proposed. With the purpose of helping to form a judgment on the money question, we have already referred to some of these difficulties; but there are others besides those which engineering skill can finally overcome or remove. A liberal expenditure of money and muscle could, no doubt, accomplish the work in the course of fifteen or twenty years: but the former could be procured far more readily than the latter. Perhaps the greatest hindrance to the successful prosecution of the work will be the want of suitable laborers. These must be procured in large numbers, and as the few natives of the country are not worth employing at any price, the necessary force can only be procured from other countries. In determining from whence this supply could be drawn, the experience of those engaged in building the Panama Railroad is of much value and importance. They found so many hindrances in the way of procuring labor as almost to prevent the completion of the work. It was first undertaken with the assistance of such natives as could be procured. This small force was supplemented by a party of negroes from Carthagena—not exceeding fifty in number. About fifty Irishmen were also obtained at the same time, and later a considerable force of mechanics and laborers arrived from Jamaica, Carthagena and the United States. In August, 1850, the number employed in the surveys and construction was about 400 men; but sickness, caused by exposure to incessant rains, and the effects of an atmosphere saturated with malarial poisons, made such inroads that, in a few weeks more than half their number were on the sick list. The ravages of the fever caused also the desertion of such a large proportion of the remnant, that the work was temporarily suspended. A fresh supply of natives having been recruited from the surrounding country, the work was once more started. To sustain the force, however, it was necessary to procure laborers from every part of the world—Irishmen, Coolies, Chinese, English, French, Germans and Austrians, amounting in all to over seven thousand men. With this force it was supposed that the time required to complete the work would be in a ratio proportionate to the numerical increase of laborers, all of whom were believed to be able-bodied men. It was found, however, that many of these people, from previous habits and modes of life, were totally unsuited to the work for which they were engaged. The Chinese, one thousand of whom had been imported by the company, were greatly depended on, and every arrangement was made for their health and com-

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ort. But, notwithstanding the careful treatment they received, they became disaffected in less than a month, a large proportion of them ending their lives by suicide, and the remainder becoming of little use as workmen. Disease broke out among them and raged so fiercely that, in a few weeks, less than two hundred remained. The Irishmen and Frenchmen also suffered so severely that it was found necessary to send them home as quickly as possible and supply their places with negroes from Jamaica, who also proved to be of little use as workmen, though best able to resist the influence of the climate.*

The difficulty of procuring suitable laborers for the canal would of course, be far greater than that experienced by the builders of the railroad. The work of grading the surface and laying a single track of less than fifty miles in length, is a mere trifle compared with the labor of cutting a ship canal over or through the mountains. The engineer of the railroad, basing his calculations on his own experiences and a thorough knowledge of the topography of the country, believes that 15,000 men could build the canal in twenty years, or 20,000 men build it in fifteen years, providing the active working force were kept up to that number by constant additions of fresh recruits. This would require an aggregate of more than 200,000 able-bodied men, allowing for the probable desertion, sickness, and mortality. The poisonous malaria that renders the climate of Central America fatal to whites is so generally known that it would be difficult to induce many Americans to engage in the work, even if the most liberal pecuniary inducements were offered. Natives could not be procured in sufficient numbers; Europeans would not be able to stand the fatal influence of the climate; Coolies and Chinese would not be profitable (if the experience of the railroad is to be taken as the test), and Jamaica negroes are not worth, as laborers, the cost of maintaining them. The only source then from which it would seem probable that a suitable force of good workmen could be obtained, is Africa, and if it should be necessary to press them into the service we should be reviving the most objectionable features of the old slave trade. To do this would not only require the consent of the United States, but of every European nation, and if carried out would establish the dangerous precedent of a recognized and open slave trade.

But besides these difficulties in the way of the construction of the canal, others exist touching its practicability when finished. Of these the most important, perhaps, is that it would be available for steamers only: it being evident that, under ordinary circumstances, sailing vessels could go round the horn more safely and profitably. The reason for this is that vessels would not only have to be towed through the canal, but

* See "Isthmus of Panama," by F. N. Otis, pp. 15-56.

before they could be fairly started on their voyage across the Pacific it would be necessary to tow them at least two hundred miles out to sea. That entire section of coast, from the Equator to 15° North latitude, may be said to be free from wind available for sailing vessels wishing to go in any particular direction. Geographically, it is known as the region of the Southeast and Southwest monsoons, and extends from about 9° South latitude to the Equatorial calm belt, which touches the Western coast of the Isthmus of Tehauntepec, about 15° north latitude, and, longitudinally, from 78° to 119° West from Greenwich, including the entire West coast of Central America, Darien, Columbia, and Ecuador. During the greater part of the year this is a region of perpetual calms, or light baffling winds, that are too fitful and uncertain to be relied on by shipmasters. To avoid this it is necessary for vessels following the coast from Cape Horn to San Francisco to keep at least 200 miles to sea to avail themselves of the Northeast and Southeast trade winds.* This fact renders the port of Panama far better adapted to steamers than sailing vessels, the latter sometimes being six or eight weeks in getting out of the bay and into the Northeast trades. This is not always the case, for vessels often work out with the loss of a few days only: but during the greater part of the year it would be necessary to take the sailing vessels going through the canal as far out to sea as we have already said, if it was proposed to make that trip much shorter, in point of time, than the less direct route round the Horn. As this could never be made to pay, considering the canal toll, the cost of towage, and the increased insurance premiums over rates charged on vessels keeping in open sea, sailing vessels would find it safer and more profitable to follow the old route.

If what we have said be correct, the canal prospect does not promise very favorably as a business speculation. We have seen that the engineering difficulties are very great and can only be overcome at a large expenditure of time, labor and money; that the obtaining of the necessary supply of labor will also be an extremely serious problem for solution; and that after the canal is completed it is not likely to be available for anything but steam vessels. The practical question arises, therefore will it pay for any company of private individuals, or for any single government to undertake the work. It appears to us that it will not. Besides, we already have a railroad across the Isthmus, and expect within a few months to see our own Pacific road completed, thus again uniting the two oceans. The building of the canal would certainly be a magnificent

* See Maury's "Physical Geography of the Sea," Plate VIII.

project, but with this grand highway across our own country, is it a plan upon which our government or people can look with very great interest as promising sufficient benefit to them to warrant the necessary outlay? And if it will neither prove to be a remunerative investment to the stockholders, or to the country at large, wherein consists the motive for engaging in the work at present? Far better would it be that all the maritime nations of the world should undertake it and hold it as a joint property, to be free to the trade of all, and only such tolls charged as may be necessary to meet the expense of maintaining and repairing the works. Until this is done, or until it can be done in that way, it would seem to be better for us to turn our attention to improving the facilities of the Panama Railroad by laying additional tracks, providing ample wharfage at the termini and reducing the charges on freight, and also in developing our own Pacific roads and reaping the advantages they place within our reach. A large share of the more valuable Eastern trade, and very nearly all the Eastern travel will soon seek this latter route, and with increased facilities and lower freights on the Isthmus road, the necessity for a canal would be greatly diminished.

OUR FOREIGN INDEBTEDNESS—ITS ADVANTAGES AND DISADVANTAGES.

It seems anomalous to question whether it is fortunate or unfortunate for a country that its credit should appreciate. This very question, however, would appear now to be seriously entertained among some of our own people, in connection with the export movement of government bonds; and the answer is by no means so universally affirmative as might be supposed.

For the last five or six years Europe has been a steady buyer of our securities—national, State and corporate; but principally national. According to the most careful estimates, about \$700,000,000 of United States bonds and \$300,000,000 of other securities are now held abroad, four-fifths of which have been sent out since 1862. For two years, we have been supposing that the limit of this remarkable investment demand had been reached; and yet the absorption continues, the export of bonds and stocks at this moment being nearly as active as ever. The prospect of a more conservative administration of public affairs, the earnest desire for an early resumption of specie payments, the better comprehension of questions of finance in Congress, the strong probability that the principal of the Five-Twenty bonds will be declared to be payable in coin or its equivalent, and the avoidance of an apprehended commercial revulsion following the war; these circumstances have combined to beget abroad a

steady growth of confidence in American investments; and as our credit has improved our securities have been more in demand. Within the present month, probably not less than \$40,000,000 of bonds and stocks have been sent to Europe, mainly in response to direct orders; Five-Twenties, have sold in London at 81½, and from the tenor of foreign advices yet higher prices and further orders are to be early expected.

It is not our present purpose to conjecture how much further this extraordinary demand may be carried; European capitalists appear to have formed a different estimate of our credit from that they once entertained; and there is no more reason apparent for supposing that they have reached the limit of their investments than existed two or three years ago. At home, this outflow of securities is very generally deemed a misfortune to the country. In certain respects, it is undoubtedly to be regarded in that light; but we think a broad view of the subject will show that the movement is not without important compensations. The securities have generally been purchased at a heavy discount from par in gold; and such as may be liquidated after the resumption of specie payments, having to be paid in full in gold, will of course involve the return to Europe of a much larger amount of funds than we have received upon them. This consideration is especially important in its bearing upon United States bonds. Supposing that, upon the \$700,000,000 of governments held abroad, we have received on an average 68 per cent in gold, our total receipts therefor would be represented by \$475,000,000, which is \$225,000,000 less than we should have to pay to the holders on redeeming the obligations. But before counting this as so much unqualified loss, we must assume that the bonds will be finally liquidated at maturity. Let it, however, be supposed that, before or after the expiration of the twenty years limit, it should be attempted to substitute a security bearing a lower rate of interest; a great advantage would then accrue from the fact of the obligations being held abroad instead of at home. As a rule, capital has been worth 2 per cent more interest in the United States than in Europe; and, in the event of the Government credit being well sustained, it would, for this reason, be feasible to dispose of new bonds to foreigners at a lower rate of interest than would be acceptable at home. The fact of our having a foreign market for bonds, at a comparatively lower rate of interest, would also materially facilitate the marketing of such bonds at home; thereby promoting a saving of interest upon the whole public debt. The economy of interest thus arising from the circumstance of a large portion of our bonds being held abroad would, in the course of a few years, fully compensate for the loss arising on the payment of the principal; the extent of this economy is apparent when it is considered that a reduction of 1 per cent in the rate of interest on the whole debt amounts to \$25,000,000 per annum.

At present, we pay Europe about \$40,000,000 in gold, annually, as interest upon government securities. This, of course, is so much taken out of the country in the form of products, or gold. But before we can pronounce it a loss to the country at large, it must be remembered that it is the consideration paid for the use of capital loaned in return for obligations sent out. This brings us to the gist of the question: does the real capital, consisting of various products received in exchange for the securities, constitute under all the circumstances a fair, competent and remunerative equivalent? The bonds, had they been held at home, would have been in no sense productive. They would have helped to increase the idle, or non-productive class of population. The holders, instead of actively employing capital for reproduction, would have been, inactive consumers, helping to diminish and doing nothing to increase the common stock of products. Instead of this, we have exchanged the bonds for various commodities, some destined for immediate consumption, others constituting a part of our more permanent capital, and most going to reinforce the general productive resources of the country. While, therefore, in these transactions, Europe has invested in credits, we have invested in such productive capital as our wants have called for. The question whether the exchange is one advantageous to our side, depends upon the further question whether we realize and shall hereafter realize more upon the capital thus received than we have to pay in interest, and in the difference on principal to the foreign bondholders? The fact of our having kept up these exchanges for a period of six years implies that there is an advantage somewhere; for large transactions between different countries are not apt to be long continued without mutual advantage. Nations engaged in exhaustive wars invariably find it better to borrow abroad than at home, for the reason that they can thereby replace the actual waste resulting from hostilities, and that they can afford to pay interest for the use of it. When such loans are made under the pressure of war necessities, the rate of interest is apt to be beyond what can be realized upon the use of the capital received. But, in our case, the larger portion of the securities sent abroad were not exported, properly speaking, under a war pressure, but voluntarily, and from those considerations of commercial advantage which regulate ordinary business exchanges; and for this reason our foreign transactions in bonds are the less likely to be disadvantageous. The truth is that productive capital yields in the United States a larger return than in Europe; and the circumstance of our having exchanged such an immense amount of securities for European capital is only the natural result of this fact. Hence, instead of having the social and political evils growing out of a large bondholding class, we shall have a healthy reinforcement of the industrial and mercantile elements which

ly at the basis of our political security, and of our commercial prosperity and greatness.

Some incidental evils, however, have doubtless arisen from the facility with which we have been able to market our securities abroad. So long as we could exchange credits for merchandise there has been the less pressure to enforce that economy in private expenditures which should be practised by every people after the losses of a great war. Growing out of this there has also been a tardiness in reducing the public expenditures and in taking measures to allay the general extravagance and inflation. The evils, however, are of a character which tend to work out their own remedy within a reasonable time; and already they are in process of correction. On the other hand, our ability to ship bonds has supplied an element of elasticity in our foreign exchanges without which we might have incurred an exhaustive drain of gold, indefinitely postponing the recovery of a specie basis and producing panic and a protracted prostration of business.

It is very commonly urged that the fact of such a large amount of our securities being held abroad exposes us to a sudden drain of gold, through their return upon the outbreak of panic or war in Europe or at home. It is quite certain that such occurrences might for the time seriously affect the value of our securities; but they would be returned here only in proportion of prices being highest in the home market—a condition of things which would not continue after the amount of bonds returned was small. It is to seriously endanger the equilibrium of our foreign exchanges.

For the foregoing reasons we are inclined to regard our foreign indebtedness as being less an evil than many suppose.

OUR BONDS AT HOME AND ABROAD.

(COMMUNICATED.)

The extraordinary advance of the last four weeks, and especially of the last ten days, in the price of our bonds both in London and Frankfort is unquestionably the most important financial event of the present day.

It is not only a very gratifying evidence of the faith and confidence of European capitalists in the general soundness of our condition and in the principles and practice of the incoming administration, but also widely indicates the course and character of our entire foreign trade, bringing us face to face with some of the most important problems connected with the return to specie payments.

In the first place, the present prices and the eagerness with which bonds are bought at the quotations, forever set at rest the assertion frequently repeated by adverse interests here and abroad, that these securities

rities could never advance beyond a certain price, and would always rank with the low-priced securities of semi-bankrupt States like Spain, Italy, Greece and Turkey. We had heard this asserted so often and so positively, that many persons here had begun to believe it, and looked upon any rise beyond 72 or 78 as the result of artificial movements and as impossible to be maintained. The present quotation in London is—with the difference of exchange added—equal to more than 90 in gold and indicates pretty conclusively that we may reasonably look for quotations at par at some not very distant day.

In the second place the advices by letter and cable advising a small supply upon the market, and few bonds offered for sale with an active demand, prove that neither the ability nor the disposition to invest is as yet exhausted, and that in all probability, if the relative positions of the two markets admit of it, there will be further shipments of bonds during coming months, in addition to the large amounts lately gone forward. It is scarcely possible to over-estimate the importance of such movement in its influence upon our foreign exchanges especially at this season of the year, when a considerable portion of our grain and cotton crops yet remain to be exported. Whether further bond shipments will or will not shortly take place must of course depend entirely upon the relative position of the European markets and our own. No matter how high prices may go on the other side, no bonds will be shipped unless there is a profit in the shipment, unless they can be bought here below the London and Frankfort quotations. So far, the market has promptly followed and at times even led the foreign market, and the supply of the exportable bonds has been so limited and the price so firm, that the export has been much smaller than it otherwise would have been. Assuming that the investment demand will continue on the other side at rising prices, it behooves us to consider in how far our markets can meet the demand.

The most important element in this enquiry is the price of the bonds here. What price are Americans themselves willing to pay for their bonds? The average price of the various issues of six per cent gold bonds for the last three years has been about 106, that is to say, a bond bearing six dollars annual gold interest, could be bought or sold for about one hundred and six dollars in currency. The average price of gold during the last three years has been as near as may be 140. The six dollars gold interest paid by the Treasury on each one hundred dollar bond, if sold at the average premium during that time, brought to the owner of the bond eight dollars and forty cents in currency. A bond costing one hundred and six dollars in currency produced an annual income of eight dollars and forty cents in currency, or as nearly as possible eight per cent. In other words, an investment in United States bonds has, during the last three

years, paid the investor about eight per cent per annum, free of risk and free of tax. During the period named there have been many fluctuations in the price of the bonds, due to varying political conditions and changes in the course of the money markets, but none of them have been sufficiently important to materially alter the proportions named. The premium on gold has likewise fluctuated largely, but the price of the bonds has generally fluctuated with the gold premium, so that the change, whether in the price of bonds or in the premium on gold, has never very widely changed the result, viz : that the United States bonds could be bought at a price, which pays the investor about eight per cent net interest on his investment. In other words, the experience of the last three years shows that our people have not been willing to pay for these bonds more than a price which enabled them to make on an average eight per cent net interest on their investment.

Will it be possible hereafter to realise eight per cent net interest on an investment in bonds? It is very evident that at the present prices here and the present premium on gold, the investment will not pay seven, much less eight per cent. The latter figure can only be realised by a large advance in gold, which, though at all times possible, does not seem at present reasonably probable while, the active demand for bonds continues abroad. Besides, if gold were to advance, with the price of bonds remaining the same, our quotations in currency would correspondingly advance so that the question of interest would remain unchanged. It is not probable, therefore, that investors will look to a rising gold market to improve their investment. Will American investors, then, continue to hold United States bonds if they can only realise from them seven, or even six per cent, on their investment?

Many writers appear to believe that buyers of bonds have heretofore expected to make a high rate of interest mainly on account of the risk, at least the periodical fear and threat, of ultimate repudiation, and for further risk of depreciation by a reduction in the interest rate. To maintain that, if it had always been clearly established by law, that principal and interest were payable in gold, and that no compulsory funding at a lower rate of interest could be attempted, that then investors would have been well satisfied to make less interest on their investments. For ourselves, while admitting at all times the importance of removing any doubt as to the terms and conditions of the bonds, we do not believe that the doubt has ever seriously affected the domestic investment demand. We believe, on the contrary, that our own people generally have bought the bonds with great confidence, without any serious fear of repudiation, and that the great bulk of the bonds were bought, like any other first-class security, because they paid a handsome interest.

the investment. In contradiction of this belief we are frequently referred to the high prices of certain State securities, which pay no higher rate of interest than United States bonds, yet sell fifteen or twenty per cent higher, or of various kinds of railroad bonds, which pay only six per cent interest in currency, yet sell not much below the gold bonds of the United States. The inference is, that if the good faith of our general Government were as strongly pledged by law as that of the single States referred to, or as that of first-class railroad companies, then its bonds would sell at as high figures. But the objection, though seemingly fatal, is really not well founded. The market value of the bonds of a single State, or even of a first-class railroad company, is not subject to one tithe the influences that affect the bonds of the general Government. Domestic disturbances in any part of our immense territory, political changes of many kinds, government mismanagement war, or threats of war, would materially affect the latter without necessarily affecting the former, and on this account alone might make the former investment more desirable and more sought after. Again, the affairs of a small State or of a railroad corporation can be thoroughly and positively known to some men at all times, while the bonds issued may be, indeed are, of such limited amounts, that a few well-informed individuals can buy the whole, and can afford to pay a high price for them, knowing that they will be the first to learn of any change, and that they may be able to control the entire market in the value of their investment. It is for these and other similar reasons, not from any serious fear of repudiation that certain other securities have sold better than United States bonds. The main reason why the latter have not been higher is that there were and still are, many investments offered that pay a still better rate of interest than they do. As long as money can be safely and promptly employed in large amounts at eight and nine per cent per annum, only a certain portion of the floating capital will be invested in bonds at seven per cent. Unless, therefore, money should become permanently easier with us, and through a decline in business activity or from some other cause, a great falling off result in the general income from capital employed, we expect to see a growing willingness among American investors to part with their bonds and thus meet the European demand.

THE LEGAL TENDER DECISIONS.

The recent decisions of the Supreme Court, relative to the functions of legal tender notes in certain cases, go far toward settling definitively the scope and force of the Legal Tender Act. The first decision, in the case of the county of Lane against the State of Oregon, determines that

United States Notes can be tendered in payment only of such obligation as come strictly within the legal definition of the term "debts," this construction being based upon the bare letter of the law; and a tax, or impost, not coming within the meaning of that term, the Court decided that it could not enforce the acceptance of legal tenders in liquidation. The results of the opinion of the Court in this case are important. It places it within the power of the governments, federal, State and local, to enforce the collection of their several imposts in gold coin. Practically this is not of any general interest; for the authorities are not likely to incur the unpopularity that would arise from an attempt to enforce this right, and the laws could be promptly altered. There are obligations which do not come within the definition of a "debt;" but they are so few that this case has little bearing beyond its application to taxes and the disposition it shows on the part of the Court to interpret the law literally and strictly.

The more important decision, however, is that in the action of *Bronson vs. Rhodes*, which has been made public this week. In this proceeding the New York Court determined that a contract payable specifically in gold coin could be liquidated in legal tenders; the Supreme Court, however, decides that such a contract can only be liquidated in gold coin. The Chief Justice lays down the principle that every obligation must be paid according to its terms; that the law making gold and silver a legal tender not having been repealed, there are virtually two legal tenders, one in coin and the other paper; that, if a contract stipulates for the payment of coin, coin must be tendered in payment; if legal tenders are specified, then the payment may be made in such; if merely dollars are specified, without distinction as to coin or United States notes, then the latter may be tendered, the presumption being that the payee gives the payor the option of liquidating in the less valuable currency. This decision places upon a common ground all contracts to pay money, whether made before the passage of the Legal Tender Act or after. It may appear to conflict with the strict letter of the law, which makes United States notes a tender in payment for "ALL debts;" but it is obviously based upon a broad principle of justice; for where two parties agree to a contract payable in coin, there is an understanding on both sides that coin shall be paid, and were the law to sustain the payor in attempting to satisfy the debt with a less valuable consideration, it would clearly sustain him in an act of injustice to the payee. It is the ignoring of this principle of equity which constitutes the fatal weakness of Judge Miller's dissenting opinion.

This decision is not only consistent with the broadest and strictest equity, but, being so, it naturally conforms to the convenience and interest of the community. The inconveniences arising from the uncertainty whether

contracts to pay gold could be legally enforced, has given rise to a pressure upon Congress for the enactment of a law legalizing such contracts, with which Congress has shown a disposition to acquiesce. Had it, however, been adopted, the question as to its constitutionality would still have remained to be settled by the Supreme Court. This decision relieves Congress from the necessity of taking any action upon the question, and obviates the litigation likely to follow such an enactment.

A question naturally arises as to the results which are likely to follow this decision. As a first result, we suppose it legalizes the taking of gold interest. But it must have very important bearings commercially. Some branches of trade can be conducted with much greater convenience upon a gold basis than in a fluctuating currency. This applies more especially to wholesale transactions in imported products and to the larger dealings in exportable produce at the Atlantic ports. So great has been the inconvenience of conducting these transactions in currency that much of the business has always been done in gold, on simple trust in the honesty of the party making the engagement. In the cotton trade there has been a growing tendency to base contracts upon gold; and the larger portion of this crop being sent to foreign markets, it is felt both North and South that there would be an obvious convenience in that form of contract. Considering how wide are the ramifications of the cotton interest and how sensitively the price of the staple sympathizes with the fickle fluctuations in the gold premium, it is not surprising that there should be a strong desire for a currency which would obviate such frequent charges in value. It is, therefore, but natural that Northern and Southern merchants should desire a stable currency and seek to be rid of the risks arising from the daily variations in gold. In this view, it cannot be deemed improbable that the leaders of opinion in the cotton trade may urge a more general adoption of the gold basis. There is perhaps little reason for expecting that such a change would at present extend largely beyond cotton. The purchases of the South at the North, which constitute its main supply of merchandise would be made in currency; and it would involve an inconvenience, without compensation, to convert the currency values into gold before retailing the goods.

These appear to be the main changes in commercial operations likely to result early from this decision. There is, however, a very wide range of other transactions in which coin contracts are likely to be adopted. In all long loans, where the fluctuations in the value of greenbacks has been an important element of risk to both parties, the lender at least is likely to ask the security which the law, as now construed, affords him. Mortgages would lose half their risks, when based upon gold. State and corporate bonds would be more attractive to investors and especially to

foreign lenders, were they made payable in coin. Foreign capitalists would be more apt to employ their funds here, when the rates of interest are ruled high, could they be employed in the form of gold, without the risks of converting them into currency and again reconverting them into gold; and with the existing telegraphic facilities for communication with European money markets, this must appear to be a change of no small moment to the monetary interests of the country. These are the principal branches in which gold may be expected to supersede currency, under the now changed condition of affairs. This, however, would amount to a very important substitution of greenbacks by coin; and, so far, would facilitate the resumption of specie payments, whenever it might be deemed practicable to adopt that policy. One very important objection to resumption arises from the apprehensions of loss upon the payment of contracts in gold which were made on a currency basis. The law now provides a remedy against such losses, by authorizing contracts in the medium which would be currency upon resumption. Henceforth, therefore, the question of resumption is less one of equity in contracts than of financial practicability.

In the light of this decision, there can be apparently little doubt as to what will be the determination of the Court upon the constitutionality of the Legal Tender Act. If the court had regarded the act as unconstitutional it would in all probability have rendered a decision upon the case under consideration involving that specific point; for a decision on that point would have determined his action and all others; instead of which, two cases are taken up, involving points which are only necessary to be decided in view of the consideration that the Legal Tender Act is constitutional. The supposition therefore that the Court may deliver an opinion nullifying the Legal Tender Act has, by these decisions, been placed beyond the range of probability.

THE COMMERCIAL CONDITION OF THE COUNTRY AND RESUMPTION.

Our finance doctors, in the remedies they propose, appear to pay but little heed to the condition of their patient. Fiscal and financial regulations are so closely interwoven with the trade of the country, that to prescribe wisely for the former, we must ascertain precisely the state of the latter. It is the misfortune of the present laudable efforts to recover the specie basis that they are being made at a time when business is in an unsound and unnatural condition, rendering all interests the most sensitive to the temporary derangements which must attend the process. As a people, we are not prosperous, nor have we been so, properly speaking, for the last seven years. During the war our ordinary consumption, with the waste and destruction attending military operations, were much

in excess of our reduced production ; and, for that period our wealth unquestionably diminished. Since the war, with the return of the army to industrial pursuits, and the suspension of military consumption, production must, of course, have kept a more even pace with our consumption ; though there is too much reason to fear that even now it does not equal it, and that we are living, to a certain extent, upon past accumulations. Habits of extravagance are usually forsaken only under compulsion ; and it is therefore not surprising that, with the deceptions and false appearances attending a currency inflation, we should unwarrantably persist in a high scale of public and private expenditures. Social evils correct themselves surely, but slowly. The large profits realized in trading during the process of monetary expansion, naturally drew an undue proportion of the population to employments connected with commerce and speculation ; and, production has suffered in consequence ; we therefore find a large addition to the population of our commercial cities, an increase of business buildings, and all the external appearances of healthful activity. These things, however, are not to be regarded as the legitimate growth of a really sound commerce : but as the results of a habit or process inspired by the intoxication of inflation.

We do not care to inquire whether the fault lies in our producing too little, or in our consuming too much. Certain, however, it is that our present consumption bears no healthy ratio to our production. The course of our foreign trade too plainly illustrates this fact. For the last seven years our importations have immensely exceeded our exports. Nor can it be said that the difference has been set off by the profits upon our exportations, or the losses on foreign consignments to our markets. The fact has been demonstrated in our columns that we have sent to Europe within late years over \$750,000,000 of securities ; nor has this process ceased ; but this year we have shipped probably \$35,000,000 of railroad stocks and bonds and other securities to England and the Continent. These remittances of securities represent the difference against us upon our foreign trade account. It is not necessary to inquire at present whether this exchange of evidences of indebtedness for foreign commodities is advantageous to the country at large ; we rather wish to direct attention to the fact that, before the war, we were able to wholly pay for our imports with our products ; and the circumstance that we are not doing so now, proves beyond a question that our production does not bear so large a proportion to our consumption as formerly. It is very clear that, under such a course of affairs, we cannot be increasing our actual wealth ; for a very large proportion of our importations consists of commodities which perish in the using, and are but little promotive of reproduction. Were we importing less of mere articles of enjoyment and

luxury and more of raw materials, of necessary food, of the materials of industry, and of the appliances for transportation, then we should have less occasion for regret at transferring into the hands of foreigners such an immense amount of obligations at a heavy depreciation; but we have by legislation encouraged their production here under disadvantages which involve a substantial waste of labor; and this consideration justifies the deduction that we have had no increase of wealth proportioned to the value of securities sent abroad. This may be an unwelcome conclusion, but we do not see how it is to be honestly evaded; and is no part of wisdom to conceal from ourselves the plain facts of our condition.

If, instead of gaining in wealth, we are rather losing ground, then it is of the utmost practical importance to ascertain who are the losers. There is somewhere a steady loss of capital going forward. The loss is not to be looked for among the operative and employed classes; for, in the first place, they have little to lose, and, in the next, the returns of the Savings Banks * and social criteria generally fail to indicate loss on their part. We presume it will not be supposed that the agricultural class (although they have not increased in number proportionately to the increased population) have perceptibly diminished in wealth counted in lands and bonds. Manufacturers also, though at one time heavy losers through the decline in prices, have for the last two or three years been more prosperous. It is mainly among the distributors of commodities that we must look for the evidences of diminished wealth; and recent failures and facts well known in commercial circles leave little room for doubt that as a class this interest is working without profit. We do not mean to intimate any general insolvency among merchants; but simply that in a large number of instances their private and business expenses exceed their profit. This is a well known fact, every day remarked upon by merchants themselves.

The great evil of our present condition, it is thus seen, lies in the fact that too much of the labor and capital of the country are employed in the distributing processes and too little in production. It is impossible to overestimate the importance of this fact in all its bearing upon our efforts to regain the specie basis. It is out of the question to suppose that we could safely resume specie payments under such a condition of commercial affairs as now exists; and much less that we could do so without business interests suffering. We above all things require as a condition precedent to resumption, that the commercial interest at large should be in a state of average soundness; and the first prepar-

* The increased deposits in Savings Banks, are not however, as some appear to think an indication of increased wealth among the poorer classes.

ory inquiry should therefore be directed to the means for checking the existing over expenditure of all classes of the community. Can legislation accomplish anything toward checking the current over importation; or arresting the prevailing extravagance; or diverting labor to productive pursuits? Or must affairs be left to find a sounder basis by a natural process?

These questions must be reserved for future consideration.

DEBT AND FINANCES OF SOUTH CAROLINA.

The indebtedness of South Carolina on the 31st October, 1868, according to the Report of the Hon. J. L. Neagle, the Comptroller-General of the State, amounted to the sum of \$5,407,306 27. In the same report the Military Defense debt is stated in detail, in gross amounting to \$2,241,840, and with interest to October 1, 1868, to \$2,700,142 28. The Constitution of the State, however, abrogates this debt, and the Comptroller General asks permission of the General Assembly to sink all accounts, pro or con, connected with that unfortunate event in our national history. The State debt proper may, therefore, be considered as limited to the sum of \$5,407,306 27, and is made of the following bonds and stocks:

Description of bonds and stocks.	Date of Act.	Date of Maturity.	Amount outstanding.	Rate p. c.	Interest when payable.	Where payable.
State stock	Jan 1, '83	Perpetual.	\$32,866 67	3	J. A. & O.	Treas'y
Fire Loan	" '56	Jan 1, '70	814,458 89	6	" "	"
New State House stock	" '57	Jan 1, '77	250,000 00	6	Jan & July	"
" "	" '58	July 1, '83	800,000 00	6	" "	"
" "	" '59	" '85	200,000 00	6	" "	"
" "	" '59	" '87	200,000 00	6	" "	"
" "	" '59	" '89	200,000 00	6	" "	"
" "	" '61	" '82	200,000 00	6	" "	"
" "	" '61	" '86	200,000 00	6	" "	"
" "	Feb '63	" '80	200,000 00	6	" "	"
Bonds & stocks, funded debt			825,788 28	6	" "	"
Balance not yet funded			897,237 91	6	" "	"
Fire Loan (series 'g)	Jan 1, '68	" '84	484,441 51	6	J A J & O.	London
Blue Ridge RR bonds	" '54	July 1, '75	200,000 00	6	Jan & July	Treas'y
" "	" "	" '76	200,000 00	6	" "	"
" "	" "	" '77	200,000 00	6	" "	"
" "	" "	" '78	200,000 00	6	" "	"
" "	" "	" '79	200,000 00	6	" "	"
New State House stock	" '58	" '71	250,000 00	6	Jan & July	....
" "	" '59	" '81	200,000 00	6	" "	....
" "	Dec. '63	Jan 1, '85	11,600 00	6	" "	Treas'y

The contingent liabilities of the State from the endorsement of railroad bonds secured by first mortgage on said roads are as follows:

South Carolina Railroad bonds, payable in 1869	\$2 093 812 40
Cheriton and Savannah Railroad bonds, payable in March, 1877	505,000 00
Northern Railroad bonds, payable in March, 1869	92,000 00
Laurie Railroad bonds, payable in 1879	75,000 00
Spartanburg and Union Railroad bonds, payable in '72-'79	250,000 00
Greenville & Columbia RR bonds, payable in '81, '82, '83 & '85	945,471 21

The State's interest in the South Carolina Railroad is substantial, and it is also probable that the Northeastern has the ability to discharge maturing liabilities. Most of the other companies are not paying interest upon these bonds endorsed by the State, but permitting their debts to accumulate to the detriment of the State's credit. The Comptroller suggests the adoption of such measures as may be deemed expedient to compel the payment of all interest past due upon these endorsements and the public payment of the same in future. The assets of the State at the close of the fiscal year 1867-68 amounted to \$2,754,660, and are described as shares in the following companies:

Northeastern RR.....	\$120,000	Chesaw & Coalfields RR.....	200
Spartanburg & Union RR.....	250,000	Laurens RR.....	50
Pendleton RR.....	42,500	South Carolina RR.....	24
Jacksonville & Columbia RR.....	432,960	Charleston & Savannah RR.....	270
Blue Ridge RR.....	1,310,000	Southwestern RR. & K.....	6
Columbia & Augusta RR.....	42,300	Keowee & Tuckasegee Tpk.....	6

Most of these are utterly worthless. The South Carolina and Northeastern stocks, in all \$144,000, appear to be of no value whatever, and even if the Blue Ridge Railroad should be carried through (which however is almost a certainty,) it will take many years to bring the stock to the dividend paying point. The State, therefore, cannot hope for any direct relief from its burdens from these records of its generosity, but must be satisfied with the works that have been fostered in the life by its aid and which have contributed so much to the development of the country, and the appreciation of taxable property. South Carolina, though temporarily under a cloud, is a rich State, and can afford to lose such an amount as these dead securities involve. Its resource to meet its financial necessities must be taxation. In what manner and to what extent taxation is borne by the 700,000 people in the State, let the following table (made up from a vast labyrinth of figures) tell:

TAXABLES AND TAXATION, 1868.

Objects of taxation.	Value and amounts taxed	Rate, p. c.	Taxes, Amount
Land, 17,259,072 acres.....	\$22,971,023	.25	\$5,742,755
Real estate in cities, towns and villages	17,435,622	.25	4,358,905
Buggies, carriages, gold and silver plate, watches, jewelry and pianos	1,632,642	1.00	1,632,642
Total real and personal property.....	52,042,674		101,434,202
Articles manufactured for sale, &c.	1,452,575	.20	290,515
Gross incomes—			
Employments, facilities and professions.....	675,445	2.50	16,886
Factors, merchants, brokers, &c.	392,817	2.50	9,820
Premiums for insuring and underwriting.....	306,700	2.00	6,134
Profits of national and other banks	81,47	2.00	1,629
Newspapers	167,045	.20	33,409
Daguerrotypers and photographers	14,536	1.00	14,536
All incomes in excess of \$500 from salaries, rents, dividends on money at interest.....	670,450	1.00	670,450
Hotels, restaurants, &c.	57,981	2.00	1,159
Gas-light companies	407,968	.25	101,992
Very stable keepers.....	12,340	2.00	246
Butchers and hucksters	22,470	1.00	22,470
Billiard tables and bowling alleys.....	195	5.00	975
Bar-rooms	7,043	10.00	70,430
Ferries, bridges and toll-gates.....	20,002	1.00	20,002

Specific taxes—		
Tax on taking out a charter .....	....	\$20 00 20 00
Tax on each renewal of a charter .....	....	.....
Tax on public hacks, stage coaches, baggage wagons and omnibuses drawn by two or more horses, 42½ .....	....	\$10 00 425 00
Tax on drays, cars or baggage and express wagons, 305 ...	....	5 1,525 00
Capitation tax on males between 21 and 60 .....	....	1 53,121 50
Tax on dogs .....	....	1 20,658 50
Total amount of taxes		<u>\$459,271 80</u>

The police or local taxes are comparatively light or are not fully returned. The rate varies largely in the several parishes. The Free School tax is collected only in the parishes of St. Phillip and St. Michael in which Charleston is located, and amounted in 1868 to \$18,813 81. The poor tax for the whole State was \$54,328 68, the tax for public buildings \$30,875 41, and the bridge and road tax \$60,737 43. These in gross amounted to the small sum of \$164,755 33.

The estimates for the support of the State government and the public credit for the fiscal year commencing November 1, 1868, are stated as follows:

Salaries of State officers, judges, &c.	\$86,200 00
Legislative Department	140,000 00
Executive Department	18,500 00
Judiciary Department	43 100 00
Ordinary civil expenses	191,198 13
State police	12,000 00
Interest falling due in year	829,492 33
Total estimated expenditures	<u>\$820,490 51</u>

The bond interest which became due in 1868 was mainly paid in new bonds, and it is not improbable that the maturing interest for 1868-69 will have to be met in the same way. There is also a considerable amount of the debt due and near maturity which will have to be rearranged. Beyond these drawbacks, which are only of a temporary nature, the financial status of the commonwealth appears to be healthy. Taxes are collected and are not burdensome, amounting to less than 70 cents per capita, and they appear to be laid in such a way as to forget the industrious poor. The only tax that touches all is the capitation tax of one dollar on all males between 21 and 60 years of age.

PHILADELPHIA AND READING RAILROAD.

The Philadelphia and Reading Railroad, which at the close of 1867 had a working length of 770.60 miles, at the close of 1868 was running no less than 806.69 miles, an increase during the year of 36.09 miles. This increase is the result of the completion of the Zerbe Valley Railroad 15.32 miles and the Perkiomen Railroad 10.20 miles, and the constant extension of side and other tracks necessary for its business purposes.

The details of the roads now owned or leased by the company are as follows:

owns:

Philadelphia to Reading	95 m
Reading to Harrisburg	54
Total length of road owned by company	147 m
or, including second track, branches, sidings, &c., the equivalent single track is	422.70

The railroads named below are leased and operated in connection with the above lines:

Railroads.	Main & Sid'gs Equiv. branch on the single lines, same track.	Railroads.	Main & Sid'gs Equiv. branch on the single lines, same track.
Mine Hill & Schuylkill	81.83 51 83 145 68	Good Spring	14 88 1 80
Little Schuylkill	39 81 18 63 51 45	Chester Valley	21 60 2.39
West Mahanoy	11 12 2.88 14 10	Port Kennedy	0.78
Mine Creek	16.88 8 71 24.29	West Reading	1.74 1.00
Mine Hill Valley	29 88 8 34 83 27	Zerbach Valley	15 72 4.33
Mount Carbon	9.47 5.14 14 51	Perkiomen	10.20 1.66
Port Carbon & Port Carbon	5.32 9 83 14.72		
Port Carbon	8.7 0 83 4 0	Total of lines leased and operated	526.80 249 88 8
Port Carbon	5.24 0.66 6.60		

The aggregate length of railroad (equivalent single track) operated by the company in each of the last seven years was as exhibited in the following statement:

Railroads.	1862.	1863.	1864.	1865.	1866.	1867.
Philadelphia and Reading	281 12	268 13	283 85	289.01	301.75	315.78
Chester Valley	79.17	82.27	92.29	97 96	101.09	142.32
Owned	360.80	348 42	376.14	387 02	402.84	418 10
Mine Hill & Schuylkill .....	...	...	122 90	126 87	142.14	145 25
Little Schuylkill .....	...	48.89	49.30	49 46	49.23	50.26
West Mahanoy .....	...	9 11	11 61	14 51	15 63	14 43
Mine Creek	16.80	18 14	19 70	20.12	21 48	22 17
Mine Hill Valley	26 23	26 72	26.91	27.81	28.90	29 06
Mount Carbon	9 81	9 88	9 80	9.90	9 90	10 38
Port Carbon & Port Carbon	11.85	12.12	12 98	14.15	14 44	14 49
Port Carbon	8.91	4.78	4 08	4 83	4.12	4.12
Port Carbon .....	...	6 51	6.51	7 51	7 51	7 51
Good Spring (Swatara)	6.68	7.47	10.62	12 26	12 68	16.82
Chester Valley	23.30	23.50	24.80	23 50	23 51	23 56
Port Kennedy .....	...	...	0 78	0.78	0.78	0 78
West Reading .....	...	...	1.74	1 74	1 74	2 63
Zerbach Valley .....	...	...	...	...	...	...
Perkiomen .....	...	...	...	...	...	...
Leased	97.15	160.73	310 46	2 0 48	340.81	352.50
Total	457.43	514.15	686.10	717.50	748.65	770.60

The rolling stock on the main road, laterals and branches at the close of the fiscal year November 30, 1868, was as follows: Locomotives (1st class 205, 2d class 22, 3d class 5 and 4th class 4,) 269; also, on Mine Hill Railroad (1st class 23, 2d class 9 and 4th class 1,) 33; total engines, 269. Passenger train cars (8-wheel)—passenger 84, baggage 23 and mail and express 11½. Total 119 (= 4-wheel 23, freight train cars (8-wheel)—house 794, cattle 76, platform 1,322; 4-wheel 80; and (4-wheel)—house 68, cattle 2, platform 1 and lime 130. Also, one 16-wheel platform gun-car (= 4-wheel 2,512). Coal train cars (8-wheel)—iron 486; and (4-wheel)—iron 2,713 and wooden 2,101. 4-wheel 18,306). Transportation department cars (1

wreck trains 10; platform with cranes, 18, and crate for sawed wood; and (4 wheel)—house wreck trains 5, open for cord wood 58, and for depot fuel, &c., 3. Total 82 (= 4 wheel 98.) In use on Mine Hill Railroad (3 wheel) 26 and (4-wheel) 72 freight and wrecking and 5 passenger. Total 103, (= 4-wheel 116). This department has also 39 steam engines for shops, pumping and sawing; 8 snow plows; 20 carts, wagons and drays; 174 horses and mules, and 23 extra tenders for locomotives. Roadway department cars (3-wheel) 62 and (4-wheel) 271. Total 333 (= 4-wheel 395.)

The number of locomotives and cars (= 4-wheel) in use at the close of each of the past seven years was as follows:

	1861.	1861.	1865.	1866.	1867.	1868.
Locomotives	166	183	221	234	235	236
do (M. H. R. R.) .....	....	83	33	33	28	33
Total	166	216	254	267	263	269
Cars (equivalent 4-wheel):						
Passenger, &c.	184	163	174	210	220	237
Freight	1,586	2,026	2,140	2,323	2,468	2,513
Coal	10,183	11,425	11,499	13,123	13,116	13,206
Mine Hill R.R. ....	....	80	80	72	72	116
Transportation department	151	194	120	111	109	98
Roadway department	242	441	378	402	370	396
Total (=4-wheel)	12,200	14,836	14,391	16,311	16,355	16,664

In the following statements the business of the road and the results of operations for the year 1867-68, and the five previous years are summed up:

	1861-63.	1863-64.	1864-65.	1865-66.	1866-67.	1867-68.
Pass'ngs. number	576,861	1,043,500	1,481,632	1,444,257	1,373,644	1,194,575
Merchandise, tons of 2,000 lbs.	652,263	807,106	846,103	1,047,121	1,135,696	1,220,596
Coal, tons of 2,240 lbs.	2,068,261	3,065,577	3,090,814	3,714,634	3,446,826	3,574,674

The earnings from the above business were as follows:

	\$	\$	\$	\$	\$	\$
Pass'ngs earnings.	566,520	909,882	1,065,847	1,026,217	1,005,647	987,606
Merchandise "	673,143	958,776	1,165,277	1,421,539	1,526,551	1,415,723
Coal "	4,897,200	7,203,775	8,627,293	8,245,696	6,401,879	6,252,224
U. S. Mail	21,309	23,496	23,871	27,719	33,095	29,150
Miscellaneous	94,730	178,411	255,232	181,647	137,334	107,234
Total, gross	6,252,902	9,289,840	11,142,519	10,902,818	9,106,496	8,791,937
Ex'ns, rents, &c.	2,546,002	4,531,848	5,906,864	6,221,500	5,767,858	5,641,100
Net profits	3,706,900	4,681,492	5,236,655	4,681,318	3,338,638	3,150,837

From these amounts must be deducted the following, viz:

	\$	\$	\$	\$	\$	\$
Renewal fund	370,158	376,813	424,394	517,247	498,576	521,411
Interest on bonds	653,464	447,534	378,269	359,709	356,844	375,156
" on bonds & mortgages ..	23,973	34,620	30,947	36,941	38,337	37,851
Sinking funds	210,830	392,021	431,230	68,600	62,600	68,600
New works, &c.	1,066,775	2,022,662	1,339,264	1,169,234	836,520	409,837
State tax on capital	43,137	.....	.....	.....	.....	.....
Total payments	2,378,336	3,293,119	2,014,089	2,151,731	1,298,877	1,413,855
Bal. of earnings	1,328,564	1,391,313	2,632,566	2,529,587	2,039,761	1,737,982

The "Reserved Fund," made up from net earnings and other revenues, and liable for dividends, drawbacks, &c., is epitomized in the following statement:

	1863.	1864.	1865.	1866.	1867.	1868.
Balance to credit	\$990,936	\$2,171,259	\$372,050	\$3,303,739	\$2,920,118	\$2,769,256
Net earnings	1,328,564	1,391,313	2,632,566	2,529,587	2,039,761	1,737,982
St'g'f'd st'k in lieu of b'ds can'led .....	.....	104,000	.....	370,000	320,000	.....
Schuyler's Nav. Co. bal. of accounts, ..	.....	.....	234,067	236,307	116,192	110,948
Profit on boats, &c. ....	.....	.....	68,677	112,335	.....	.....
Old debts paid .....	.....	.....	26,605	.....	.....	.....
Total resources	\$2,319,520	\$3,666,572	\$3,332,965	\$6,605,968	\$5,396,071	\$4, 5,186

BANKRUPTCY AND INSOLVENCY.

BY C. H. C.

The following hypothetical case presents an interesting problem in bookkeeping, and a very instructive example in political economy. I find it in *Gouge's Journal of Banking* published in Philadelphia, July 21, 1841.

"It is one of the peculiarities of a paper money system, that, under it, a country may abound in wealth, may owe nothing to foreigners, and yet every man in it may be bankrupt.

"This may sound strange to many readers, yet it will be easy to demonstrate it.

"Suppose a State to have within its limits one hundred thousand families, and each family to be worth ten thousand dollars. Here will be an aggregate of property of the values of one thousand million of dollars.

"Next, suppose each head of a family to dispose of his own property on credit, and purchase an equal amount of some one else on credit. Here is an aggregate of debts and credits of two thousand million dollars.

"Then suppose the circulating medium of such a community to be suddenly reduced in amount one-half. Through the shock that would be given to confidence, prices would fall more than one-half; but suppose them to fall only one-half. Here then will be but five hundred million dollars worth of property, with which to liquidate two thousand millions of debts and credits. Each man will receive five thousand dollars from his debtor, and pay five thousand dollars to his creditor. Yet when all this is gone through with, each man will owe five thousand dollars, and have five thousand dollars owing to him. Every one would then be bankrupt, although the land, the houses, and all the other wealth of the State would be just what they were before "the contraction' began."

The word bankrupt is here employed in its restricted but true significance of inability to pay in money according to contract, and not in the more general sense of *insolvent*, which means unable to pay in anything.

Every one who attempts the study of political economy meets with obscurity at the threshold from the corruption of its nomenclature in, as well as out of the dictionary: this is a case in point. No great scholarship is necessary to know that bankrupt is derived from the Latin *bancus*, a bench, and *ruptus*, broken, and that the term came into use among the Jews in Italy who were the money dealers of the middle ages. They displayed their money upon benches, and the custom prevailed of breaking the bench of every one that failed. Hence it is to money dealing that the term bankrupt strictly applies; and as every one is a money dealer, so far as he contracts to pay money, he is bankrupt when he is unable to pay money according to contract, although he may be solvent as to ability to pay in goods or something else.

And this is the condition of each head of a family in the case presented by Mr. Gouge. Each one owes ten thousand dollars of money; he un-
 to his creditor, "I cannot pay ten thousand dollars, but I am prepared to compound the debt. I can pay five thousand dollars, and deliver to you the value of five thousand dollars in other property besides to discharge your claim." But as each one has the same value of property to give as to deliver, the delivery of the property amounts to nothing. The short way to the adjustment is to declare a general bankruptcy of five thousand dollars each, which cannot be had, or five hundred millions in all, according to Mr. Gouge's example. And this is precisely the state of their affairs; they do not meet their contracts according to the demands by five hundred millions of dollars, because one half of the promises are annihilated.

The following entries may elucidate the case as a problem in book-keeping. Each man will inscribe on his books:

Merchandise <i>Dr.</i>	<i>To Stock.</i>
capital in goods, &c.....	\$10,000
Bills receivable <i>Dr.</i>	<i>To Merchandise.</i>
goods or property sold.....	\$10,000
Merchandise <i>Dr.</i>	<i>To Bills Payable.</i>
goods purchased.....	\$10,000
Here the contraction of the currency reduces prices one half, and the new:	
Profit and Loss <i>Dr.</i>	<i>To Merchandise.</i>
by depreciation.....	\$5,000
Cash <i>Dr.</i>	<i>To Bills Receivable.</i>
received one half in money.....	\$5,000
Profit and Loss <i>Dr.</i>	<i>To Bills Receivable.</i>
charged one half in bankruptcy.....	\$5,000
Bills Payable <i>Dr.</i>	<i>To Cash.</i>
paid one half in money.....	\$5,000
Bills Payable <i>Dr.</i>	<i>To Profit and Loss.</i>
gained release in bankruptcy.....	\$5,000
Stock <i>Dr.</i>	<i>To Profit and Loss.</i>
balance of profit and loss account.....	\$5,000

By casting his eye over these entries, without taking the trouble to write the posting, any good accountant will see that the business is reduced to the simple condition of

Merchandise *Dr.*..... *To Stock.* \$5,000
 each head of a family in this bankrupt community stands, as to capital, wealth, and means of doing business, precisely as he did before the contraction, i. e., in possession of the same quantity and value of property at one half the price; with this important advantage, that he can

export merchandise profitably, to the encouragement of agriculture and manufactures, which he could not have exported before; he and his community having now the world for a market for goods, instead of the money which they would otherwise be forced to ship, and which before they did ship, at its degraded value, that is to say, in paying the high price for imports resulting from their cheapened money. Nothing responds to a depreciation of money by rising in price, sooner than imported commodities.

Now suppose contraction could fall upon all alike in the comfortable way above described, what possible advantage is there in the expansion which compels the contraction and adds nothing to capital or the means of doing business? Each of these men may look the other in the face and say, in the words of the old song: "We're all good fellows together;" but what do they gain by the "paper money" system, which carries the price of property to one thousand million dollars, the value of which is five hundred million dollars, since the value of the property is the limit of its purchasing and paying power.

Mr. Gouge, in this instance, neglects to mark the distinction between value and price. The value of the property never exceeded five hundred million dollars, because values are isodynamic equivalents in cost of production, or in material utility appropriated, like land, compounded of supply and demand. A thing destitute of inherent utility which costs nothing, like a paper note, cannot possess value, and of course cannot be the equivalent of anything that does possess value. If it could, wealth would be easily produced by simply writing notes.

Mr. Gouge continues: "Now such a case as is here supposed cannot occur in practice. A trading nation will owe more or less to foreigners; and, much as we are in love with the "credit system," every man will not dispose of all his property on credit, and purchase an equal amount of others on credit. The case will, however, serve to illustrate the effects of "a flexible standard of value."

Undoubtedly, as far as it goes, it does so very clearly. There is nothing, I think, in political economy more preposterous than the notion that we need any other, or any more flexibility in the circulating medium than is to be always found in money, *i. e.*, gold and silver. When we think we need more currency, what we really need, and what the best interests of the country demand, is a lower price for things, so that we may produce cheap, sell at a profit, and import to advantage: unless more currency means more capital, which is always desirable, and, in the precious metals, is more desirable, because in more universal demand, both for home use and export, than any other, inasmuch as everything else makes a demand for money.

What is the perfection of a commodity? Certainly universal desirability. So that the commodity possesses this—so that everybody wants it and is willing to pay for its intrinsic value, no trader concerns himself about its use as an instrument, or about the ultimate utility to which its value is due.

A dollar is a marketable commodity containing a quantity of gold. A cowbar for sale is a marketable commodity containing a quantity of iron. The former being in universal demand, will employ labor more readily and stimulate industry and the production of capital to obtain it than any other commodity whatever. The latter, however useful, is of very limited demand, and has but limited power to encourage industry and the production of capital. The trader's interest is in the commodity, not in the instrument. Its value in exchange is what concerns him, not what caprice may determine its value in use; and it happens that money has no other value than value in exchange, since it is an affair of exchange exclusively. Or we may say its value in use and its value in exchange are coincident.

Mr. De Quincey introduces, by way of illustration, a phial of poison bought with a view of self-destruction. "It would argue a great want of heart," he says, "to view in the light of a useful thing an agency whatever that had terminated in so sorrowful a result as this." But the apothecary does not necessarily concern himself with the purpose of the buyer. To the apothecary the use of the article is its value as an object of exchange, which he finds in the condition of the market. The most frivolous as well as the most useful thing may furnish employment to industry and constitute capital and wealth.

The mistake in regard to money is just here: it is in concern for the instrument, when the thing we need is the object of exchange—the commodity. An instrument of exchange being attainable in an evident manner, by simply writing a promise and calling it "a dollar," we fancy it to be a thing, and thus plunge into embarrassment and bankruptcy. We buy and sell goods on credit to make the name, when we should otherwise buy and sell for cash, and have the thing that we cannot obtain while the name is accepted in its place. We really change the unit of value and include ourselves with a name, when with infinitely less sacrifice of utility we could possess money and so much the more capital and wealth.

Credit will procure capital. What then? As compared with money, credit is the absence of capital to the buyer and to the country. We may buy goods on the credit of a bank or the government, instead of for cash; but to suppose that credit organized for this purpose performs the function of money, is to suppose the respectable beggar as well off and as useful in the community as the man of wealth. It pays nothing

This function of organized credit, instead of supplying a marketable commodity to increase the business of the country, destroys one, sinks the value of the commodity—the dollar—and drives it abroad. It is precisely the function of which we cannot have too little; whereas, of the marketable commodity we cannot have too much: because any natural excess of money will be as surely and as profitably exported as the natural excess of any other commodity which, by reason of such excess, falls in value until it meets the exporter's demand. It is impossible to separate the dual nature of money, the instrument and the commodity; and if we put any other instrument in its place we lose the commodity altogether.

A currency of debt is by nature the very opposite of money, since debt is a thing to be paid; whereas money is a thing that pays. The former is embarrassment; the latter capital, when offered in exchange, and wealth always; and the first dollar of debt organized into currency, instead of supplying the means of paying the price it creates and of meeting the contracts based upon it, becomes itself an additional contract and a demand for more money or capital to pay it with. Instead of satisfaction it is hunger; and accordingly we find the greater the amount of circulating notes and bank demand deposits, uncovered with specie, the higher is the rate of interest, and the greater the distress for money, until it reaches a crisis and an ultimate settlement in bankruptcy.

In the hypothetical case under consideration the individual debtors pay and receive equally, upon the Clearing House principle; but one rascal or Shylock among them would throw the whole settlement into confusion, and for the sum of dollars that he would grasp unequally they would be insolvent as well as bankrupt, inasmuch as one could not pay the other through the whole line.

In the discussion of the currency question I have had occasion to remark that, for every dollar of currency annihilated by direct contraction, there must of necessity be about ten dollars of bankruptcy in the community. Some intelligent friends of mine, for whose opinions I entertain the highest respect, have not been able to agree with me on this point, which, it seems to me, Mr. Gouge's example illustrates very perfectly. Being a mere matter of illustration, that example takes no note of the division of stock or of the natural proportion of money to other capital, but merely assumes that the whole property is circulating capital, to be bought and sold. In fact, however, only about two-fifths of the property of the community is ever, I think, at any one time in the condition of circulating capital, that is, in market for sale or exchange; and, in a normal condition of affairs, about one-tenth of this circulating capital is money.

Hence our imaginary community, with the aggregate price of one thousand million dollars in circulating capital, would have one hundred million

at the contraction of fifty millions of currency, or one million dollars of bankruptcy, or five thousand hundred thousand individuals, as stated in the report. How can this result be avoided in the ratio of the currency to the indebtedness of the community; but an equality of adjustment as in the case supposed is possible.

Who happens to owe, in proportion to the value of his assets, more than the proportional contraction of the currency, becomes inevitably insolvent as well as bankrupt. Moreover, a general code of easy morality prevailing among debtors in distress as to helping themselves to the property of others; cunning and high-handed villiany scramble in the confusion of a financial crisis; opportunity and privilege, such as may be enjoyed by a bank director or bank favorite, enable some men to avail themselves of more than their equal or just share of currency and capital; all these influences render an equitable settlement of debts and credits in a crisis of a factitious currency system utterly impossible; and I repeat that every direct contraction of one dollar of such a currency must always, and always must be, accompanied by ten dollars of absolute loss. An insolvent is no less an insolvent because he tides over the crisis, and throws his deficit, through cunning or privilege, upon others.

Let us apply this rule to the present condition of financial affairs in this country. The currency, including demand deposits, must be reduced to six hundred millions of dollars, according to my estimate, so that the exchange, which to day—February 23d—is at 46 in greenbacks for gold, will be 1 to 9½ in greenbacks for sight bills, before specie payments can be resumed. The paper currency will then, of course, be interchangeable with gold money, which will be raised in value to an equality with merchandise money. We can ship merchandise as profitably as money. By any other method of contraction this will involve six thousand million dollars of loss, and insolvency. There is nothing wonderful in this conclusion. The present indebtedness running to maturity on the greenback unit must be paid to the money unit in demand for payment; and this is the theoretical contraction, whether gradual or rapid.

When any such scheme shall be put in operation, its two forces, so to speak, will immediately change places. It will not longer be the contraction of the currency that will cause the bankruptcy, but the bankruptcy that will contract the currency. As in 1860-61 the bankruptcy of the South, resulting from the repudiation of debts at the South, contracted so large a portion of the demand deposits of the banks, which constitute the most effective part of the currency always, that the aggregate

gate currency of the loyal States fell below the natural and necessary specie volume, and made money so much more valuable than merchandise here that gold poured into the country a million dollars at a time by nearly every steamer arrival from England during the year 1861.

So it will be again. Contraction may begin it, but the positive and negative poles of the scheme will very soon change places. When bank accommodation fails bankruptcy comes into play, soon takes the lead, and one tumbler here and there knocks down a whole line, until the securities, against which the deposits stand, fall, and the deposits with them. Banks being pressed with their notes must redeem them, and avail themselves of their securities in the hands of the Comptroller to purchase greenbacks or specie. What effect this will have upon the prices of government bonds in connection with the general pressure of individuals to realize upon securities, may be conjectured. But in this way we may reach specie payments, without doubt, through a flood of bankruptcy. It is the only way that has thus far been proposed in Congress. Is there no other or better? There is a better way, as I have already indicated in this MAGAZINE.

In the issue of October last I suggested supporting two separate units and currencies, gold and greenback, for a specified time, during which indebtedness fairly contracted by the greenback measure may be discharged in greenbacks, or their interchangeable equivalent, bank currency, and new contracts made in gold. This must be the basis of any *equitable* plan of relief from our present financial difficulties. It is a method of indirect contraction that will save harmless every man who is solvent at present prices; those who are not so cannot expect to be saved by any method.

Since writing the October article I have come to the conclusion that the plan may be more simple in its details, and more speedily accomplished, than I had before supposed. The paramount question is, does a majority of Congress really desire a resumption of specie payments? If so, the only obstacle to be removed is the principle of factitious credit in banking. The way to cure a disease is to attack its source. The principle of factitious credit is bankruptcy. The banks are never in a condition to meet their payments *on demand* according to contract, even when their currency is called convertible. They owe hundreds of millions of dollars payable on demand, more than are possessed by the whole country, in their best condition, and under an uncertain forbearance of demand, we are as practically bankrupt as Mr. Gouge's example represents his imaginary community to be. But our present extra muddle comes of the one hundred and fifty millions of fictitious credit plunged into the currency in the fall of 1861, with subsequent additions. Extinguish this principle

anking system, prospectively, by taxing the uncovered demands of the banks out of existence, the tax to take effect one year after the passing of the act; provide for the voluntary funding of greenbacks by the immediate issue for that express purpose of four or five per cent bonds, principal and interest payable in gold, every greenback to be destroyed as soon as funded, and no other legislation in regard to the payments or the currency will be necessary.

Under this policy paper prices could not fall to embarrass debtors; on the contrary, they would have a tendency to rise, which would be checked by the funding, so that they would remain comparatively steady, while the gold would gradually fill the channels of circulation, without panic or disturbance, until by an increased production and export of merchandise, we should accumulate a metallic currency, and the uncovered paper currency would disappear altogether.

Under the uncovered paper currency, because a notion prevails that money should circulate under a metallic system. Certainly the banks would furnish certificates of deposit for circulation under such a system, the confidence being that they would have coin in reserve, dollar for dollar, and such capital, which, under a paper system they have not. And the stimulus to the country would be in the production of commodities for gold and silver that under a paper system are not produced. Producers are more employed and enriched by a metallic system, and the aggregate capital of the country is augmented accordingly.

The current commercial debts of this country mature in about seven months on the average, so that twelve months will be ample time for the transition to a gold basis, and there need be no apprehension of the loss of paper contracts under the certainty of the withdrawal of the paper medium, as no one will contract at paper prices knowing they must be paid in gold.

No other plan or on no other principle, in my opinion, than this of a temporary currency, temporarily maintained for a specified time, can avoid the bankruptcy and insolvency that form the text of this article.

PROHIBITION OF THE CERTIFICATION OF CHECKS.

The recent session has just afforded a very inconvenient illustration of the effects of hasty legislation upon matters of great public importance. At the close of the session, a bill was introduced prohibiting National Banks from certifying checks otherwise than against actual deposits. The bill lingered in committee for months, was finally brought up and passed in the last hours of the session, almost without discussion, and was signed by the late President among his very last acts. This measure

in its progress, received very little attention from the banks of this city; not because they did not appreciate its importance if adopted, but rather from a feeling that the proposal was such a violent change of the established methods of business, so unnecessary, and so boldly innovating, that it was not likely to occupy the serious consideration of Congress. Evidently, the banks assumed too much; and now they pay the penalty in a very serious inconvenience; an inconvenience which could have been easily averted by sending a deputation to the Committee having the measure under consideration.

The law falls with special severity upon what may be termed the Wall street banks. Institutions doing a purely commercial business find little occasion for certifying, and with them, therefore, no serious objection is raised to the regulation. With the institutions, however, whose exchanges represent the immense financial transactions of the stock boards and the Gold Room the case is very different. As we have shown on a previous occasion, certification or some other expedient affording substantially the same facility, is really essential to effect the transfers of securities; and we presume it is because the prohibition threatens embarrassment to this particular interest that it has been adopted; for it appears to be taken for granted by a class of legislative regulators that the crippling of Wall street is the acme of financial legislation. It may be well enough for the law to define the general conditions and limits within which banking shall be conducted; but, when it undertakes to determine the methods of business and supersedes that prudent discretion with which managers, if at all fit for their duties, must be credited, it becomes not a wholesome regulator, not a protector of the public interests, but an impediment to the public convenience, a drag upon business, and a restriction upon intelligence and economy in bank management.

Does Congress imagine that the managers of the banks doing a Wall street business—generally conceded to be the shrewdest of our bank officials—are less able than they to judge of what is prudent and safe in this matter? Those who take the risk of certifications ought to be the best judges as to the prudence of the usage; for they are the parties who reap the profits and bear the losses. Besides, tested by experience, no plea can be found for this prohibition; for the banks whose business requires certification find the losses associated with the practice merely nominal, and the average results of their operations are at least as satisfactory as in the case of banks which find no occasion to certify for their customers. It cannot then be said that the law is required to protect the depositors of the banks; and, if not, what apology can be offered for its intrusion upon the statute book?

Had the object of Congress been to discriminate in favor of the larger

capitalists, and had the bill been so entitled, it would have been appropriately designated and well adapted to its end. Firms of very large means and high credit have no occasion to secure the certification of their checks, because they will pass anywhere upon the strength of the drawer's name. There is, however, a very large class of houses which, though doing a perfectly sound business, yet do not enjoy a credit sufficient to give currency to checks for large amounts, for the reason that their capital is not large enough and their position is not sufficiently known; and, in these cases, before a check can be accepted in exchange for real value to a large amount, the receiver requires that the bank, which is presumed to know intimately the drawer's position, shall endorse the check. If the bank cannot extend this momentary credit to its customer, the firm is so far incapacitated for transacting business, and its trade falls into the hands of a wealthier rival. To all intents and purposes, therefore, this is a restriction which in its effect must be destructive to the business men of small means. We allow that Congress has no such purpose; but if the act were carried out according to the spirit and letter, such could not fail to be the result.

Another very obvious tendency of this law is to drive deposits from the National to the State Banks, which are placed under no such embarrassing restrictions; which fact produces a strong revulsion of feeling against Congressional control over the banks. If there were no means of evading this prohibition, some of our largest banks would immediately reorganize under the State system, even though it were at the cost of sacrificing their circulation. The banks, therefore, make no secret of their intention to violate substantially the spirit, although observing the form of the law. In some cases, the bank endorses the check "accepted." How far this expedient may be a safe one, we do not at present enquire. We presume that the design of this form of endorsement is to convert the check virtually an "acceptance;" but whether the Courts would view it as such, or as an intentional evasion of the law, and therefore invalid, is perhaps open to question. In other instances the bank issues a "due bill" to its customer, which he deposits in the same institution when his check can of course be certified within the law. Another expedient is for the bank first to grant a loan, or credit against which the customer draws his check and receives upon it the certification of the bank. In each of these cases, the customer's account is made good before the close of bank hours the same day. In the case of firms having accounts with more than one bank, the house draws against one of the banks, deposits the check, without certification, in another bank, and draws a second check against the deposit thus made, which the second bank certifies. Where the banks desire to get rid of an undesirable

account they probably refuse to be parties to any of these alternatives; but as a rule, some one of these expedients is resorted to for evading the prohibition and its penalties. We think an enlightened public opinion will sustain them in the course they have adopted, and have little doubt that when Congress becomes better informed upon the question it will retract this hasty legislation.

Of course, there are parties who do not wish to oppose the law, but rather speak of it approvingly. Among these may be classed the banks who do a business not requiring certification; the wealthier private bankers, who hope that the prohibition may drive accounts from the National Banks to themselves; the State Banks, which chuckle over every attempt to fetter their rivals under the national system, and expect that the regulation may divert business to their institutions; and, finally, a monied class boasting, not always intelligently, of its conservatism, which applauds any and every measure calculated to embarrass the Wall street interest. Opinions from any of these sources, however, is to be estimated according to the motive from which it proceeds. On the other hand, a large body of honest, capable business men, who have the misfortune not to be in possession of unlimited means, protest against the measure as unnecessarily and almost fatally crippling them in their business facilities, if put in practice.

DEBT AND FINANCES OF THE STATE OF NEW YORK—NO. 1.

On the 30th day of September, 1868, the total funded debts of the State of New York amounted to \$44,268,786 40, or, if we deduct there from the balances of sinking funds on hand at that date, to \$38,864,188 74. These debts and the funds set apart for their satisfaction, are classified as shown in the following exhibit:

	Debts in gross.	Sinking funds.	Balance of debt.
General fund.....	\$4,707,826 40	\$153,17 54	\$4,554,647 86
Contingent.....	15,517 82		52,482 18
Canal.....	14,249 90 10	4,017,232 43	10,232,727 57
County.....	25,943,000 00	1,918,403 87	24,024,596 13
Aggregate.....	\$44,968,786 40	\$4,101,337 66	\$38,864,188 74

Ten years previous, or on the 1st October, 1858, the State debts amounted to (general fund, \$6,505,654 37; canal debt, \$24,307,704 40; canal floating debt, \$2,000,000, and the contingent debt to \$770,000 00) \$33,583,358 77. Excluding the bounty debt and using only the same denominations as they now stand, it is observable that during the ten years the debts of the State have been redeemed to the extent of \$14,554,572 37.

GENERAL FUND DEBT AND SINKING FUND.

The "General Fund Debt," as now constituted, comprises the following denominations of indebtedness:

Designations.	When due.	Am'ts Sep. 30, 1858.	Rate p.c.	Amount in circ.
Bonds (law of 1837 and 1842).....	Perpetual.	\$501,500 00	6	\$22,075
Canal stock (law of 1848).....	July 1, 1873	500,000 00	7	49,000
" " ".....	July 1, 1875	500,000 00	5	47,500
" " ".....	July 1, 1878	500,000 00	4	49,000
" " ".....	Perpetual.	848 10 00	5	17,475
" " ".....	Perpetual.	1,100,790 77	6	71,388
State's bonds (U. S.) issued 1814.....	Demand.	25,878 91	5	1,466
" " "..... 1816.....	Demand.	6,114 23	5	305
" " (law of 1816 & 1830).....	Perpetual.	24,000 00	6	2,160
Debt not capitalizing.....	Perpetual.	122,691 87	6	7,361
Due and not paying interest.....	Demand.	18,400 00	..	..
Debt and annual interest.....		\$4,707,826 46		\$299,939

The following statement shows the condition of the General Fund Debt at the close of the fiscal years 1859—1863 inclusive.

Year.	At stock.	Deficiency loan.	Compt.'s balance.	Indian annuities.	Not paying int.	Total amount.
1859.....	\$561,500	\$5,346,548 83	\$471,910 68	\$122,691 87	\$.....	\$6,402,651 28
1860.....	561,500	5,346,548 83	471,910 68	122,691 87	11,000	6,493,651 28
1861.....	561,500	5,346,548 83	471,910 68	122,691 87	10,000	6,493,651 28
1862.....	561,500	5,346,548 83	471,910 68	122,691 87	47,000	6,500,651 28
1863.....	561,500	5,346,548 83	471,910 68	122,691 87	40,000	6,500,651 28
1864.....	561,500	5,346,548 83	471,910 68	122,691 87	61,000	6,500,651 28
1865.....	561,500	5,346,548 83	471,910 68	122,691 87	11,000	6,500,651 28
1866.....	561,500	5,346,548 83	471,910 68	122,691 87	6,000	6,500,651 28
1867.....	561,500	5,346,548 83	471,910 68	122,691 87	12,800	6,500,651 28
1868 to 1869.....	561,500	5,346,548 83	471,910 68	122,691 87	12,800	6,500,651 28

Towards the payment of interest on this debt the surplus canal revenue contributes \$350,000 and the principal is paid from the General Fund as it becomes due. The amounts thus contributed constitute what is called the General Fund Debt Sinking Fund. The resources and disbursements of this fund for the ten years ending September 30, 1868, are given in the following yearly accounts:

Year.	Resources, including bal. from last year.	Disbursements for interest and principal.	Balance on Sept. 30.
1859.....	\$.....	\$.....	\$22,075
1860.....	671,490 20	671,490 20	10,000
1861.....	2,322,194 67	2,071,194 65	251,000
1862.....	1,434,270 23	1,579,903 24	10,000
1863.....	461,961 33	416,061 33	45,900
1864.....	508,200 11	508,200 11	..
1865.....	95,000 00	790,879 28	270,125
1866.....	95,61 39	762,537 34	217,188
1867.....	1,031,718 23	1,322,537 79	659,181

The year 1867-68 closed with a deficiency against the sinking fund amounting to \$106,821 46. Up to the present time only the \$350,000 specified have been contributed in any one year from the surplus revenue of the canals to this sinking fund. By Sec. 1 of Art. 7 of the Constitution, the surplus revenue of the canals, after paying the expenses of operation, superintendence and ordinary repairs to the amount of \$100,000, in each fiscal year after June 1, 1855, was set apart as a sinking fund to pay the interest and redeem the principal of the "Canal Debt of 1846" until the same should be fully paid. By Sec. 2 of the same article it was provided that when a sufficient sum should have been appropriated and set apart under Sec. 1 to pay the interest

extinguish the entire principal of such Canal Debt, the sum of \$1,500,000 of the surplus revenues of the canals be set apart in each fiscal year as a sinking fund to pay the interest and reduce the principal of the General Fund Debt. The Commissioners of the Canal Fund are now in a position to comply with Sec. 1 of the article aforesaid, having set apart and appropriated a sufficient sum to satisfy the Canal Debt of 1846 and the provision of Sec. 2 has become fully operative, and henceforth the surplus revenues of the canals will contribute annually \$1,500,000 to that Sinking Fund. This will provide a fund for the payment of the interest and the redemption of the entire principal of the General Fund Debt by the close of the fiscal year 1871-72. A large part of the debt is as shown above payable at pleasure and only \$1,700,000 has to run beyond the year specified, so that no large amount will require to be invested to meet the final extinguishment of the debt.

CONTINGENT DEBT.

The Contingent Debt of the State, arising from loans of its credit to corporations, was incurred previous to the adoption of the Constitution of 1846, which prohibited the giving or loaning the credit of the State in aid of any individual, association or corporation. On the 1st February, 1842, these liabilities amounted to \$15,235,700, while on the 30th September, 1868, they had been reduced to \$68,000, partly by payments made by corporations and partly by their assumption by the State as a portion of the General Fund Debt. Of the whole, \$3,665,700 was assumed by the State and \$1,502,000 paid by the beneficiaries. The following table shows the original amounts and the mode of their disposition:

Beneficiaries.	Amount Feb. '42.	Assumed by State.	Paid by Comrs.	Outstand- ing Sept. 30, 1868.
Delaware & Hudson Canal.. .. .	\$840,000	\$.....	\$840,000	.....
New York & Erie Railroad.....	3,000,000	3,000,000	.....	.....
Canajoharie & Catskill Railroad.....	200,000	200,000	.....	.....
Ithaca & Owego Railroad.....	81,700	815,700	.....	.....
Auburn & Syracuse Railroad.....	200,000	.....	200,000	.....
Auburn & Rochester Railroad.....	200,000	.....	200,000	.....
Hudson & Berkshire Railroad.....	150,000	150,000	.....	.....
Tioga Coal, Iron M. & Manuf'g Co.....	70,000	.....	70,000	.....
Tonawanda Railroad.....	100,000	.....	100,000	.....
Long Island Railroad.....	100,000	.....	82,000	68,000
Schenectady & Troy Railroad.. ..	10,000	.....	100,000	.....
Total.....	\$5,235,700	\$3,665,700	\$1,502,000	\$68,000

The Long Island debt was redeemable August 1st, 1861, but under chap. 36, Laws of 1858, the payment was deferred to 1876 and the rate of interest reduced from 6 to 5 per cent.

INDIAN ANNUITIES.

The amount of Indian annuities payable to sundry tribes under the several treaties with them being (Cayugas \$2,300, Onondagas \$2,430, Senecas \$500, and St. Regis \$2,131 67) \$7,361 67, would require an

vestment at 6 per cent, amounting to \$122,694 87, and at this figure the annuities are capitalized and accounted for.

CANAL DEBT.

This separate debt of the State, which was created for the construction and enlargement of the State canals, amounted on the 30th September 1858, to \$14,249,960, having been reduced by purchase and cancellation during the year then ending by the sum of \$1,483,100, and, since the establishment of the sinking funds under the constitution, from its maximum amount by \$16,646,328 26. It is also a fact that the sinking funds held at the date mentioned from surplus revenues set apart for redemption of outstanding stocks amounted to the sum of \$2,230 70. The actual canal debt to be provided for is therefore only \$10,232,727 57. The following statement shows the denomination and amount of canal stocks outstanding September 30, 1858 :

When Due.	6 per cent.	5 per cent.	Total
.....	\$100	.....	\$100
.....	.....	10,000	10,000
Pays no interest.....	\$100	\$10,000	\$10,100
.....	.....	\$194,900	\$194,900
.....	.....	25,000	25,000
.....	\$2,607,300	.....	2,607,300
.....	5,735,000	.....	5,735,000
.....	2,230,000	2,000,000	4,230,000
.....	500,000	.....	500,000
.....	900,000	.....	900,000
Debt paying interest.....	\$11,964,100	\$2,255,000	\$14,219,100
Debt not paying interest.....	100	10,000	10,100
Total debt.....	\$ 1,964,960	\$2,255,000	\$14,219,100
Annual interest.....	\$719,016	\$112,765	\$831,781

The total Canal debt on the 30th September, 1858, was \$24,460,014 48

the interest on that sum \$1,406,120 80. In the table which follows show its progress, increase and decrease, yearly for the ten years since that date :

	Amount borrowed.	Amount redeemed.	Debt Sept. 1st.	Surplus rev. in ac.
.....	\$.....	\$152,170 00	\$24,307,844 48	\$92,000 00
.....	3,000,000 00	1,100,523 00	27,107,321 48	1,689,611 63
.....	1,200,000 00	2,175,551 28	29,131,770 25	2,046,642 16
.....	.....	2,180,000 00	24,011,770 25	4,081,591 28
.....	.....	733,300 00	23,278,470 25	4,347,418 83
.....	.....	826,700 00	22,451,770 25	3,817,356 08
.....	.....	2,541,374 76	19,910,396 49	1,690,091 30
.....	.....	1,348,983 49	18,561,413 00	2,674,700 80
.....	.....	2,505,400 00	15,755,000 00	2,890,165 14
.....	.....	1,483,100 00	14,249,960 00	3,293,301 13

It thus appears that the aggregate debt has been reduced in ten years from \$24,460,014 48 to \$14,249,960, or by the sum of \$10,210,054 48. Included in this reduction is the full amount of the old Canal debt, which at the constitution of 1846 was to be paid before the General Fund could receive the full benefit of the surplus Canal revenues appropriated to its liquidation. For the first time in our financial history the next year will experience a disembarrassed Treasury, and ourselves a

vast relief from the taxation which has been the inevitable result of the pressure of the debt with which we have had to deal. We have, indeed, overcome all our responsibilities of old date, and have now only to stand up manfully and pay honorably that debt of patriotism which we shall describe under the head of the Bounty Debt.

BOUNTY DEBT.

On the 30th September, 1868, the outstanding stocks and bonds representing this debt amounted to \$25,943,000 classified as follows :

Registered stock.....	\$23,757,000
Coupon bonds	2,185,000
Comptroller's revenue bond unconverted.. . . .	1,000
Total amount Sept. 30, 1868.....	\$25,943,000
" " 1867.....	26,862,000
Reduction per sinking fund in 1867-68	\$919,000

This debt was created by laws of 1865, cap. 325, which act also created a special sinking fund, on the basis of a tax equivalent to pay the annual interest thereon (7 per cent.) and the principal in twelve years from the date of the passage of said act, and hence the whole debt must be cleared off by the 17th April, 1877. The first tax for this purpose was for the fiscal year commencing October 1, 1866, and called for two and one-eighth mills on the hundred dollars valuation, which produced \$3,295,619 33. This amount was inadequate, and in the succeeding year the tax was raised so as to produce \$3,953,911 66 for that year, and \$658,292 33 to make up the deficiency of the previous year. In 1867-68 the product of the three mill tax was \$4,892,476 22. The following gives in detail the operation of this fund for that year :

RECEIVED.		PAID.	
Balance Oct. 1, 1867	\$472,599 12	Interest on debt.....	\$1,871,360 94
Product of tax.....	4,892,476 22	Cost of investments.....	1,654,880 00
Interest on investments	8,585 00	Accrued interest.....	936 74
		Premium on stocks purc.....	69,581 70
	\$5,368,610 84		\$2,996,199 47

Leaving in the Treasury an uninvested balance of \$2,372,411 37, subject to the direct liquidation of the debt. Between the date of this return and January 1, 1869, a further sum of \$470,000 had been expended in the purchase of interest-paying stocks and bonds.

These exhibits are highly satisfactory. We at once recognize the fact that our State debt is being rapidly taken up and that taxation for debt purposes will soon disappear. There is, however, a large local debt which must be paid. The far largest part of this has accumulated at the great metropolitan centres, as will be seen from the following statement, which shows also the objects for which the liability has been contracted :

Counties	Bounties.	Railroads.	Roads and bridges.	Other.	Total.
N. York.	\$11,831,600 00	\$.....	\$.....	\$16,429,372 28	\$28,260,972 28
King's.	8,429,000 00	.....	.....	17,114,250 00	25,543,250 00
Albany.....	1,645,850 00	1,270,000 00	.....	1,274,500 00	4,190,350 00
37 other Counties.....	17,795,296 16	9,535,796 69	252,326 65	2,847, 24 62	29,430,723 52
Total	\$34,765,746 16	\$10,685,796 69	\$252,326 65	\$27,499,149 20	\$63,063,018 50

The aggregate State and local debt, as accounted for in the figures given, was at date as follows:

State Debt.....	\$14,968,711 16
County and other local Debt.....	82,601,000 00
Total.....	\$123,571,711 16

An average of 6 per cent for interest calls for \$7,714,808 32 annually and a similar amount ought to be paid off each year. The valuation of taxable property in the State is \$1,853,419,871, so that less than 1 per cent on this valuation assessed annually would clear off the whole debt in very few years. Distributed among a population of 4,000,000 it is simply an annual charge of \$3 86 per capita.

THE SECRETARY OF THE TREASURY.

Notwithstanding the uncertainty which has prevailed since the first of the month, as to who should be the Secretary of the Treasury under the new administration, there has been a buoyant confidence in financial circles; and when it was announced that Mr. George S. Boutwell, of Massachusetts, would take the vacant office, there was an almost immediate advance in Government bonds both here and in London. Nor is this to be wondered at, for Mr. Boutwell is well known as an earnest advocate of conservative financial reform. That he is an able administrative officer he gave conspicuous proofs when in 1862 he was entrusted with the organization of the new Internal Revenue Bureau. The public have had unusual facilities for knowing his fitness for office, and although in the history of the Republic, a Secretary of the Treasury has never probably been appointed whose qualifications were submitted beforehand to a more varied series of tests, never has such an officer on taking the reins of office been greeted by such hearty generous universal welcome.

Apart from these personal reasons why the public have confidence in Mr. Secretary Boutwell, there are motives at work affecting public opinion, of a more general nature. Formerly it was of little importance who was entrusted with the control of the Treasury Department. The revenues of the government were comparatively small, and except by the customs duties which bring the revenue officers into direct contact with no more than a few thousands of our citizens, the Secretary of the Treasury drew lightly on the pockets and disturbed but little the sympathies of the people. His patronage was small and his powers were in-

siderable. Since the war, however, all is changed. The subordinates of the Treasury are counted by thousands, and the patronage of the office is immense. We have a colossal debt, and we are going to attempt during the lifetime of this administration to ease the pressure of this debt by the expedient of lowering the rate of interest. Two thousand millions of our bonds are afloat, and the Secretary of the Treasury is the officer whose counsels will guide the legislation, and whose energies will execute the decrees of Congress relative to this vast mountain of national obligation. At the least he will have to deal directly with that part of the public debt on which a lower rate of interest is to be put.

Again, instead of being as formerly the great untaxed Republic, we groan under the heaviest, most vexatious most inquisitorial and most cumbrous tax system in Christendom. To the Secretary of the Treasury we look to give us fiscal relief. In the Cabinet he is the only officer who represents our fiscal needs, and he is the only Cabinet officer that, under the Constitution is authorized to communicate with Congress.

Thirdly, he has the care of the Government purse, and that purse contains usually some ninety millions of gold. A very small part of this coin sold by the Secretary at an inopportune moment may throw Wall street into convulsions and almost shipwreck public and private credit. Movements on the part of the Treasury have sometimes produced the most disastrous evils when those movements, though well-meant, were ill-judged or ill timed.

Now in Mr. Boutwell we have an officer whose public record and private character are equally without reproach. He is too honest to use the vast powers of the Treasury to disturb financial affairs, either from caprice, or with a view to make money for himself or his friends. He is too wise to recommend or adopt any timid, halting or narrow policy. At critical junctures of the money market every fibre of the body politic thrills in response to the doings of the Secretary of the Treasury, and it is because of Mr. Boutwell's proved fitness for the special task intrusted to him that his appointment is hailed with such general satisfaction and confidence.

It is, of course, premature to attempt to sketch out the policy which Mr. Boutwell will urge upon Congress and the new administration. On all the important financial questions of the day he has, however, an honorable record. He gave his best support to Hooper's bill, forbidding further issues of gold-bearing bonds. In his place in Congress he has again and again declared in favor of paying the public debt in coin. His views on the funding of the debt are conservative. Consistent in the hostility with which he has attacked repudiation in every form, he believes the only way to reduce the pressure of the debt is to lessen the

aggregate amount of the interest thereon. With this view he is in of the following expedients: He would first place the principal be reach of the repudiators by solemnly pledging the faith and credit of nation to its payment in gold. Secondly, he would reduce the as rapidly as the national means and ability will allow. Thirdly, would give strength to the credit of the government by an equ system of taxation, an honest collection of the revenue, and a vig economical administration of the government. Fourthly, he refuse to put in jeopardy the financial stability and industrial prosp of the country by any rash manipulation of the currency, or by any den violent attempts to resume specie payments. Still, if we a misinformed, Mr. Boutwell is a hard-money man. At any rate vehemently opposed to any further issues of currency under any p whatever. On these points he made the following observations a others in his speech of July 21, 1868, on the Funding bill:

"When we issued five hundred millions of Five-Twenties we stipulated public creditors that the United States notes, known as greenbacks, should be issued in excess of four hundred millions. That was the first stipulation. A second stipulation was that we would not compel payment under five years. There was a stipulation over and above the law, inherent in the very nature of a in the experience and tradition of all mankind, that every nation in its actuated by an honest purpose, if, when struggling with vicissitudes, it was obliged resort to forced loans—an extraordinary means of raising money, by which its was impaired and its securities are forced below the par value of gold—that nation should make every honest effort possible for the resumption of specie payments and the restoration of its public credit. That obligation rests upon us. According to the terms of the act of 1864 it does not appear beyond all cavil that we might not pay these bonds in greenbacks, in the same act it does appear that we shall never issue more than four hundred millions of greenbacks."

Possessing such a record, the country looks forward to Mr. Boutwell's administration of the Treasury Department with great confidence.

THE BRITISH CIVIL SERVICE.

The agitation of the question of reform in the civil service of the United States has, of late, excited much attention throughout the country. And on this account facts respecting the workings of the appointment system in countries where the civil service has been most nearly perfected are of more than ordinary interest. Probably the best of the several European systems is that adopted in Great Britain, concerning which a correspondent of the *New York Evening Post* gives interesting facts.

OPEN COMPETITION.

The Commissioners after their appointment first established reasonable and well-considered regulations as a basis for their operations, and

these soon began their labors. During the first year there were only a few isolated cases of competitive examination; yet even these were sufficient to justify the following favorable summary in connection with them contained in their first report, issued in March, 1856 :

“ We do not think it within our province to discuss the expediency of adopting the principle of open competition as contra distinguished from examination, but we must remark that both in the competitive examinations for clerkships in our own and other offices those who have succeeded in obtaining the appointments have appeared to us to possess considerably higher attainments than those who have come in upon simple nomination, and we may add that we cannot doubt that if it be adopted as a usual course, to nominate several candidates to compete for each vacancy, the expectation of this ordeal will act most beneficially on the education and industry of those young persons who are looking forward to public employment.”

Further on the report says :

“ We admit that there may be aptitudes for the transaction of business which cannot be discovered or measured by our process, but it is nevertheless certain that our examination furnishes the means of excluding the incompetent, and where competitive examinations take place, or the candidate submits himself to voluntary examination in extra subjects his intellectual qualities may, to a greater extent, be accurately ascertained.”

The first paragraph quoted above met with approval from the public and the treasury. The former was desirous of obtaining men of ability for the service; and the latter, besides being actuated by the same laudable desire, hailed the innovation with pleasure as augmenting, to a considerable extent, government patronage. Instead of conferring one favor in every case of vacancy, they would be in a position to oblige three supporters, which was no inconsiderable accession of power.

The first report of the Commissioners made it evident that the feeling of these newly constituted authorities was in favor of the competitive system; though up to this period, the only security gained was the inability of the government on future occasions to burden the State exchequer for the maintenance of ignorami and non-entities.

SECOND YEAR.

After another year's experience the Commissioners issued a second report. Besides confirming their previous expression of opinion on the desirability of general competition in a limited form, it contained certain allusions to a subject which made it clear that an attempt had been made to interfere with the independent exercise of their prerogative. A public department had requested them to transmit the examination papers of a rejected candidate, thus expressing a suspicion, either of the competency or impartiality of the Commissioners or their staff of examiners. This

demand was very properly met with a decided refusal, the reasons which are detailed in the following explanation, taken from the second report :

" We felt that if we abandoned on the part of ourselves and of assistant examiners the privilege invariably exercised by persons performing functions of this nature, or exercising an independent judgment on the performances of the candidate without the review of any external authority, it would be quite impossible that the invidious duties entrusted to us could be justly and effectively executed."

The same report also sets forth, as a most material point in the choice of candidates, that every available guaranty as to good character and integrity should be insisted upon. The reiteration of this arose from the fact that more than one person of questionable reputation had attempted to gain admission to the service during the two years of the operation of the Commission.

THIRD YEAR.

During the third year of the new system certain offices, which had not been put under the jurisdiction of the examiners, were included among those already acknowledging it. The original exceptions arose from the disinclination of a few old-fashioned heads of departments to submit to an innovation in the mode of providing them with assistants. The revulsion of feeling must be accepted as strong evidence that they had seen good and sufficient reasons for altering their views, and that they had length entertained a favorable opinion of the working of the new system. For the same reasons, no doubt, the East India Company, which was still in existence, adopted the plans of the Commissioners, and begged the latter to assist them in regulating the examinations which they had resolved to impose upon the incoming servants. This fact is spoken of with no little self-congratulation in the third report, which dealt with the examinations of 1857, the first year when competitions began to be generally resorted to. They had just cause to hail the circumstance with pleasure, inasmuch as the East India corporation had been renowned for its very efficient staff of servants. It was paying an especial compliment to the Commissioners, this adoption of their ideas, and increased the public confidence in their efforts.

With reference to the competitions there appears a tone of regret in the report that they had not been open to all who were desirous of entering for testing, but had been limited to persons selected by the authorities. In most cases there had been three persons nominated for each appointment, and the duties of the Commissioners were confined to the selection of the most worthy among them. The question which suggested itself in connection with the choices so made, was, whether the successful candidate

in these competitions were superior to those who had obtained certificates without a contest. As a reply to this query we may quote the paragraph in the report which bore upon this point.

“ We have instituted comparisons between the two classes of candidates, and we have ascertained that the best of the successful competitors have displayed much higher attainments than the best of the candidates who did not undergo the ordeal of a competition.”

There was also an expression of opinion favorable to the custom of including several vacancies in one competition, and nominating a proportionate number of candidates to be examined for them *en masse*, when the highest on the list should be entitled to fill the vacancies in order of merit.

A near approach was made to open competition on one or two occasions, but there were certain restrictions made which deprived them of any claims to be classed as perfectly free contests. Communications were addressed to various masters of public schools, and to them was accorded the privilege of sending in certain names which were to comprise the list of competitors. This right was deservedly appreciated, and the candidates flocked in in great strength. The trials took place, and the results were most gratifying to the instigators of them. As a proof of this we again make use of their own report :

“ In reporting upon the competitive examinations which have taken place under our superintendence we feel it to be our duty to avow our continued conviction that the selection of persons for junior situations in the civil service by competitive examination, combined with the proper conditions as to the age, health and character, and with the check of a period of probation, and with promotion by merit from class to class, is the best mode of providing for the public service.”

This opinion was approved, even before it was published, by two resolutions of the House of Commons. On the second occasion the following expression of approval was agreed to without a division :

“ That in the opinion of this House the experience acquired since the issuing of the order in Council of the 21st of May, 1855, is in favor of the adoption of the principle of competition as a condition of entrance to the civil service; and that the application of that principle ought to be extended in conformity with the resolution of the House agreed to on the 24th day of April, 1856.”

About the same time a parliamentary committee strongly recommended the adoption of open competition for the selection of county and district surveyors in Ireland, to be conducted in the same way as the open examinations for admission to the engineer and artillery branches of the military service. Thus every recognized influence tended to establish and even extend the new system.

LATER RESULTS.

Since 1856 the reports of the Civil Service Commissioners have been issued annually. Year by year, for some five or six years, they add additional arguments in favor of competitive examinations, as then even now regulated; but they have invariably refrained from discussing the expediency of adopting the principle of open competition in the broadest sense. Recourse has been had to it in several instances, generally in connection with Indian civil service appointments. The subjects of examination in these cases have been both various and high class, and the candidates flocked in in large numbers. On such occasions the labors of the examiners were very onerous, and the expenses incurred very considerable. For the purpose of relieving the public funds of this charge in any future time, it was proposed that a fee should be paid by each competitor, to go towards defraying the expenses of the examination. If this regulation were found to be necessary when only isolated cases of competition occurred, it would become an absolute *sine qua non* in the case of junior appointments in the state were distributed in the same way. The imposition of such a charge would have the effect of relieving the competition from a considerable number of manifestly incompetent candidates who would otherwise have swelled the list without having the slightest chances of success.

As time advanced it was no longer thought necessary that the reports of the Commissioners should be occupied with arguments in favor of the competitive system, so unanimous was the avowal that a most beneficial change had been wrought by its influence. Whether it might not have been extended with still better results, is a point upon which there has been a great amount of controversy. No general or comprehensive trial has been held for the settlement of this vexed question, and there appears to be no immediate probability of anything of the sort. Since 1859 only a material alteration has been made in the mode of conducting the examinations. That, however, was of so important a character that a word or two of explanation in connection with it must be deemed necessary.

It was noticed in the conduct of certain competitions that some of the candidates were so grossly deficient in knowledge in the most ordinary description of subjects, that the examinations, though nominally competitive, were in reality nothing more than pass examinations to several of the successful nominees. For instance, three men would be nominated for a vacant appointment, and when they presented themselves to undergo the requisite examination before the Commissioners, it sometimes turned out that two of the three were not up to the recognised standard of even a pass examination, that is, an examination without competition—so that in fact, the only qualified man walked over the course. It became evident

that some safeguard against the recurrence of this was urgently called for. Accordingly the authorities made it their business to ascertain what alteration in the system would meet the requirements of the case. They ultimately concluded that the establishment of a test or preliminary examination, similar in character to a matriculation at one of the universities, would answer the purpose. It was expected that, for the future, every Treasury nominee should pass this ordeal in a satisfactory manner, before he could be eligible for his final "go" or competition. During the years which have elapsed since this reform was effected, the Commissioners have been justified in reporting in a highly satisfactory tone upon the working of it. It undoubtedly furnished the means for securing a *bona fide* competition, though of a limited description, for every junior appointment under the crown.

THE TRIALS.

The method of conducting the trials was very simple. The whole mass of candidates ordered for examination on any particular day were brought together in one common room; this precaution being taken, however, that no competitors for the same appointment should be stationed near each other. The *viva voce* form was never resorted to, except in testing a candidate's command of a foreign language for conversational purposes. Papers of questions were distributed over the various tables, with a candidate's name written on each set. It was arranged that no two men sitting in close proximity to each other should have the same questions, which was done to prevent collusion between friends. A fixed time was allowed for each paper, and when that had expired the work of the candidates was collected without delay, regardless of the amount of progress that might be made. Under no pretext could a competitor be allowed to withdraw from the room after he had once had his paper or questions placed before him, until such time as he should have finished his task in connection with it. To obviate any inconvenience that might arise from this regulation, it was arranged that no detention should exceed three hours and a half at a stretch.

The examiners assigned a maximum number of marks to each subject, and candidates were to be credited with a certain proportion of them, according to the ability with which they answered the questions proposed. When the summary was completed, and the names of the successful men ascertained, both they and their less fortunate opponents were furnished with a detailed account of the manner in which they had acquitted themselves in each particular subject.

EFFECT OF THE COMPETITIVE SYSTEM.

The order of the day, as now partially established in public offices, is,

that competition should be continued through the official lives of servants—not competition in subjects of general erudition, as at the point of entrance, but in the practical work of the various departments to which they may be attached. Length of service has only this consideration shown for it, that in a choice between men whose qualifications are equal, the preference is given to the one who has this point in his favor. In a long period much hesitation was evinced about the adoption of this system of motion by merit, for the reason that it was feared there would be a temptation and opportunity for the heads of departments to be influenced in their choice by predilection for personal friends. That the system would confer such a power on them is true enough; but there is no very strong presumption that men of intelligence and position would be given to such practices. Experience so far has shown that little foundation for anxiety existed, and that it is quite safe to leave such discretionary power in the hands of official chiefs. With this regulation in force every man strives to keep up his reputation by the display of zeal in his duties.

From the foregoing explanation and remarks it will be seen that the competitive system in its qualified form has been productive of beneficial results in the management of the civil business of the British crown. It will be for American legislators to consider and determine how far the same, or even a more extended form of it, would be likely to answer in the United States. As the subject is now engaging their grave deliberation and has awakened an interest in general circles, it is necessary to mention in what points the English model may be said to fail, that similar errors may be avoided in the American programme. The first we shall mention is the practice of holding competitions for single appointments, or for small groups, of two, three, four or five, which is found to be attended with unfortunate effects. It frequently happens that the number of nominations obtained by an unsuccessful candidate on one occasion far exceeds the winning score on another, when the fortunate nominee is opposed by his adversaries of very ordinary ability. The remedy for this would be to group together a considerable number of appointments—say from twenty to forty—and hold a mass examination, the highest on the list having the privilege of choosing the vacant places in order of merit. This has been recommended by the examining officers here, but for some reason has been neglected by the Treasury. They would most probably acquiesce for this by an assertion that the delay consequent upon the adoption of this regulation would interfere considerably with the transaction of public business. The reply to this adverse argument should be, that in large and well-manned departments vacancies were of such frequent occurrence that it would be a question of a very short space of time, that a little extra exertion on the part of the staff of the various estab-

ments would obviate any temporary difficulty that would arise from the absence of one or two men. Should it happen in the United States that public competition, "pure and simple" be established (and such a revolution is confidently anticipated in the management of our service, though, at present, there is no immediate prospect of it) the practice of grouping will be imperatively called for. It would be impossible to conduct examinations of such magnitude except at stated times during the year—in this taking example from the open competitions for the engineers and artillery. It might be arranged that they should be held either at one great center or at certain important towns throughout the country. Local examinations have been held on special occasions in different parts of England, and with perfect success. The sets of papers were sent to some recognised authority in each of the districts where the examinations were conducted, and the local candidates were summoned to appear before this deputy, who regulated his proceedings by the directions issued by the Civil Service Commissioners in London. When the list of subjects had been completed the papers containing the manuscript labors of the competitors were returned to London, for the examiners to adjudicate upon the result.

It would be impossible for an Englishman with no experience of American institutions to hazard an opinion as to what political systems would provide for the wants of the population of the great republic; but in this matter it seems that local conditions could not have much influence. The English plan, either in its integrity, or in an altered form, might be allowed a trial, and would probably prove productive of happy results. That it would certainly answer better than your present style of distributing public employment no one can deny; and therefore it is advisable that some such check upon corrupt patronage should be resorted to without delay. The first essential to success would undoubtedly be an abolition of the four years' employment system. To secure an able and industrious class of men for government service it is necessary that the public should be brought to regard it as a profession; and this could never be, unless it should assume somewhat of a permanent character, and promise reasonable emoluments. Candidates for a temporary position must always be of a needy and grasping class, who accept place because nothing else is open to them, with the determination of feathering their nests as well as they may be able during their brief tenure of office. The civil service might assume the character of permanency without danger to the public interests, while tenure of office was made dependent on good behavior.

REFORM IN THE PUBLIC OFFICES.

The prevalent official corruption is one of the unfortunate legacies of the late war. In times of hostilities the large increase in national expenditures involves the entrusting of wide discretionary powers to public officials in the handling of money and the making of contracts, and the temptation usually proves too strong for the virtue of government agents. In this way a system of official speculation was originated which has since the war permeated every branch of the public service, and has now become so strong as to defy all ordinary means of reform.

Humiliating as such a condition of things must appear in the eyes of all who are patriotically jealous of the public honor and the purity of the Government, yet it would be an error to suppose that these evils are peculiar to Americans or to republican institutions. It would perhaps be impossible to cite a single instance in which a country has passed through a protracted war without a serious deterioration of official morals. The corruptions in the public departments, within the last six years, in England, compared with the condition of affairs in England at the beginning of the last century. It is notorious that the immense national debt of that country was largely augmented by official corruptions: corrupted by not merely by contractors and military and naval officers, but even by Commoners, Peers, and Bishops; not a few of the aristocratic names of England having won their positions through public speculation. At one time, the assembled Commons declared "it is notorious that many millions are unaccounted for;" the Duke of Leeds was impeached for taking a bribe of 5,500 guineas; the price of a speaker, Sir John Trevor, was £1,005; the Secretary to the Treasury was confined in the Tower of London on suspicion of malfeasance, and out of £46,000 sterling raised in fifteen years, £25,000,000 only was accounted for. After the treaty of Utrecht, the Commons, remonstrating against prevailing corruption, told the Queen that £35,300,000 of the supplies were not accounted for. During and after the war with the American Colonies, a similar condition of things prevailed, though perhaps more flagrant; and even in the late Crimean war, committees of investigation uncovered a series of disgraceful frauds.

We cite these historical facts to show that official corruptions are not peculiar to any age or any country, or any form of government; but they are apt to occur whenever the public attention is absorbed by a great struggle and unusually heavy financial responsibilities have to be intrusted to public officers. To say, however, that our corruptions are no greater than those of other countries similarly circumstanced is to say but little. The prevailing perversions of the public trust are a stupendous evil; they vitiate the morals of society; they are a direct robbery upon the public.

wealth, and a serious drawback upon the national prosperity. No practical means should be left unemployed for cleansing the public departments of these wrongs. It is fortunate that the new Administration is inaugurated under specific promises to reform these abuses. We have no question that it is the earnest purpose of the President above every thing to establish a higher order of integrity among the public servants. How far he may succeed and how far his methods of accomplishing that object have been, thus far, well chosen, are however matters upon which opinion may differ. He has begun by eschewing politicians, selecting his advisers from among private citizens of known character, and ignoring the advice of men high in public station and long experienced in public affairs. However well adapted this course may be for securing the services of men of business habits, stern integrity and supreme devotion to the public interests, yet a rigid persistence in this course would seem to overlook obstacles arising out of the method in which the public offices have formerly been filled. The influencing of government appointments has always been practically acknowledged as one of the main rewards of party support. Every Congressman receives his nomination upon an understanding that he shall further the applications of his supporters for official position; and this sort of compensation constitutes one of the main motives to party activity. It is doubtless a great misfortune that the politicians should be thus selfish in their devotion to party; and the more so as their positions, when acquired, are used less for the good of the country than for their own private advantage. But, nevertheless, the fact is not to be ignored that such is the firmly established method under which the offices have hitherto been filled. If a President undertake to make his appointments independently of the suggestions of politicians, what is likely to be the result? He, almost of necessity, makes Congress his enemy. The politicians, disappointed in their aspirations to office, press their representatives in Congress to use all means for coercing the President into acknowledging their claims; and the party leaders urge that, unless they can reward the agents of their organization with offices, they cannot count upon their co-operation in the elections, and that consequently the party stands doomed to defeat. Considering how easy it is for Congress to embarrass and defeat a President upon matters of greater consequence in his administration than appointments, it is evident that he must sooner or later accede to these demands. Hence we are not disposed to feel sanguine respecting the administration accomplishing all it aims at in the way of cleansing the public departments; and we are confirmed in this view by the evident disposition in the Senate to continue in force the Tenure of Office Bill, as a means of holding the President in check in this very matter.

Mr. Jenckes' Civil Service bill, providing for appointments upon competitive examination and removals only upon cause, has the virtue of an excellent aim. The system has been found to work well in France and England; and it is therefore concluded that it would operate advantageously here. We fear, however, whether with the present supremacy of party power in every department of public affairs, it would not be both to secure efficient appointments and to insure removals when there existed adequate cause. Such a law might easily be made the instrument of keeping in power corrupt officials, for we have seen in the late numerous revenue frauds how difficult it is to prove specific facts against an official whom all regard as delinquent.

The only really effective correction of official abuses is in the pressure of public opinion. Every party is directly interested in the maintenance of its character; and when its reputation for corruption becomes obnoxious to the people, it must expect defeat at the elections. If corruption is carried to an excess, official morality becomes a prominent issue in the politics of the day, and party leaders are compelled to acknowledge the influence of public opinion by the nomination of men of character for office. In this way, the abuses of office holders are reduced to just the limits which the public will tolerate. We already see a strong reaction setting in from this quarter; and the real importance of the President's effort at reform lies in the fact that it is a reflection of this sentiment and that it is the public desire a broad and conspicuous assertion.

THE PUBLIC CREDIT BILL SIGNED BY THE PRESIDENT—CORRECTED TEXT OF THE BILL

The bill to strengthen the public credit has become a law, and is as follows:

Be it enacted, &c., That in order to remove any doubt as to the purpose of the government to discharge all just obligations to the public creditors, and to settle conflicting questions and interpretations of the law by virtue of which such obligations have been contracted, it is hereby provided and declared that the faith of the United States is solemnly pledged to the payment in coin, or its equivalent, of all the obligations of the United States not bearing interest known as United States notes of all the interest bearing obligations, except in cases where the law authorizing the issue of such obligations has expressly provided that the same may be paid in money, or in other currency than gold and silver; but none of the said interest bearing obligations not already due shall be redeemed or paid before maturity, and at such time United States notes shall be convertible into coin at the option of the holder, or unless at such time bonds of the United States bearing a lower rate of interest than the bonds to be redeemed can be sold at par in coin. And the United States also solemnly pledges its faith to make provision at the earliest practical time for the redemption of the United States notes in coin.

JAMES G. BLAINE,
Speaker of the House of Representatives,
SCHUYLER C. LEVY,
Vice President of the United States and President of the Senate.

This was signed by these officers on the 16th of March, and yesterday was approved by the President, as follows:

Approved:

March 18, 1869.

U. S. Grant

The above is the first bill signed by President Grant in his executive capacity.

NEW YORK CENTRAL RAILROAD.

We have been accustomed to receive a company report of the operations and condition of this extensive work annually. Now, however, it is necessary to seek the same information through other sources. It seems to be the policy of the present management to withhold information as much as possible from stockholders and dealers, so that those inside have excellent opportunities for making money. Our efforts to obtain information have been very extended and persistent, and we give all that is obtainable, but less than we should like to know.

This great line, with its many valuable connections, and the Niagara Branch, which is held by the company under perpetual lease, has the following length of track in use.

Main Road	
Albany to Buffalo, N. Y.	237 73 miles.
Lateral and Branch Lines—	
Athen- to Junction.....	87.87
Troy to Chenectady.....	91.00
Syracuse to Mohawk River.....	104.00
Batavia to Attica.....	11.00
Rochester to Niagara Suspension Bridge.....	74.75
Locust Point Junction to Tonawanda.....	12.25
Junction, N. Y., to Charlotte, N. Y.....	6.58
Buffalo to Lewiston, N. Y.....	28.25
	296.00 "
Total length of main, lateral and branch lines owned by Company.....	593.75 miles.
Second track, sidings, turnouts and switches.....	455.40 "
	1,049.15
Total equivalent single track railroad owned by Company.....	1,049.15
Niagara Bridge and Canandaigua Railroad (leased).....	98.46
Sidings, turnouts and switches on same.....	8.65
	102.11 "
Total equivalent single track owned, leased and operated by Company..	1,151.26 miles.

Length of lines and track in use October 1, 1863–1868, inclusive :

	1863.	1864.	1865.	1866.	1867.	1868.
Lines owned.....	555.88	555.88	555.88	555.88	593.75	593.75
Lines leased.....	100.09	100.09	98.46	136.33*	98.46	98.46
Total lines.....	655.97	655.97	654.34	692.21	692.21	692.21
2d. track, etc., on own'd lines.....	398.01	408.29	420.98	431.78	452.57	455.40
" " leased ".....	3.43	3.43	3.43	8.74*	8.65	8.65
Equivalent single track..	1,957.40	1,067.68	1,078.74	1,133.73	1,148.43	1,151.26

The road is narrow gauge, and, as our readers are aware, for the accommodation of its cars, the Great Western of Canada has a third rail. The rail in use varies from 56 to 73 lbs. to the yard. The company are using, experimentally, a considerable length of steel rail.

The rolling stock on the several lines October 1, yearly, is given in the following table :

	1863.	1864.	1865.	1866.	1867.	1868.
Locomotives.....	239	241	238	276	289	292
Passenger cars, 1st class.....	197	168	206	208	205	205
" " 2d ".....	58	68	78	84	91	92
Baggage, mail and express cars.....	68	78	82	83	90	95
Freight cars, wooden box.....	2,693	2,782	2,987	3,017	3,198	5,116
" " iron box.....	510	719	717	693	691	
" " platform.....	803	1,095	1,200	1,166	1,291	
Gravel and other cars.....	350	350	350	350	350	350
Cars of all kinds.....	4,679	5,280	5,629	5,601	5,916	5,860

* Including Saratoga and Hudson River (now Athens Branch) RR., 87.87 miles, with sidings, turnouts, &c., 5.32.

We give in our next statement a review of the business and earnings of the total lines for five years. These do not appear to have improved very rapidly. There is, however, an observable increase in traffic, also in earnings. We also find that the operating expenses have been greatly reduced, and hence in the net earnings the increase is considerable. This, however, is rather apparent than real, when it is remembered that in former years operating expenses were made to include amounts which ought to have been supplied by new capital, and which under the present administration, have been distributed to the stockholders:

	1863-64.	1864-65.	1865-66.	1866-67.	1867-68.
Miles run by passenger trains.....	2,123,880	2,576,869	2,371,231	2,172,721	2,172,721
" " freight trains.....	2,457,375	2,004,565	2,632,454	2,800,936	2,800,936
" " service ".....	414,863	432,505	412,496	429,784	429,784
Total train mileage.....	5,996,118	5,014,048	5,416,181	5,403,441	5,403,441
Passengers carried.....	3,554,354	3,753,263	3,749,154	3,618,643	3,618,643
" " 100 miles.....	1,981,477	2,232,393	2,193,417	1,969,851	1,969,851
Freight (tons) carried.....	1,567,148	1,975,399	1,602,197	1,667,926	1,667,926
" " 100 miles.....	2,140,814	2,649,936	2,310,755	2,621,606	2,621,606
Gross Earnings.					
Passenger.....	3,972,153	4,021,454	4,080,949	4,032,082	4,032,082
Freight.....	6,542,871	6,776,037	6,671,990	6,151,751	6,151,751
Mail.....	95,790	95,790	95,790	95,790	95,790
Miscellaneous.....	435,577	552,353	468,827	699,959	699,959
Total.....	12,997,580	12,975,524	14,506,786	15,979,514	15,979,514
Operating Expenses.					
Passenger.....	3,960,234	4,165,522	4,142,312	3,782,496	3,782,496
Freight.....	6,265,950	6,696,681	6,170,129	6,570,301	6,570,301
Total.....	9,346,184	10,862,203	11,012,441	10,352,797	10,352,797
Earnings, less expenses.....	3,651,396	2,093,321	3,494,345	5,626,717	5,626,717

The financial results of the several years embraced in the above statement are more fully shown in the general income balance sheet, as given in the following:

	1863-64.	1864-65.	1865-66.	1866-67.	1867-68.
Balance, October 1.....	\$2,765,348	\$2,854,868	\$2,921,297	\$1,407,939	\$1,407,939
Gr's earn'g, as above.....	12,997,580	12,975,524	14,506,786	15,979,514	15,979,514
Total resources.....	\$16,762,938	\$17,830,392	\$18,578,083	\$18,518,443	\$18,518,443
Expenses, as above.....	\$9,346,184	\$10,862,203	\$11,012,441	\$10,352,797	\$10,352,797
Coupons & interest.....	1,036,766	914,189	1,049,993	942,861	942,861
Dividends, February.....	1,218,450	781,739	710,230	706,110	706,110
Dividends, August.....	975,402	737,786	722,220	656,110	656,110
U. S. tax on divid'g.....	85,331	73,473	78,922	62,611	62,611
Sinking funds.....	111,193	111,193	112,102	111,123	111,123
Rent N. Y. & Can. R.R.....	60,000	60,000	60,000	115,697	115,697
U. S. tax on earn'g.....	81,900	385,453	322,222	100,254	100,254
Balances Sept. 30.....	2,854,868	2,921,297	4,407,939	4,737,836	4,737,836
Total disbursements.....	\$16,762,938	\$17,830,392	\$18,518,083	\$18,397,443	\$18,397,443

The General Balance Sheets for each of the five years, as of October 1, 1864, 1865, inclusive, show the capital movements and balance of credit and debit at the dates respectively, and are comparatively as follows:

	1864.	1865.
Capital stock.....	\$24,890,000	\$24,891,000
Funded debt.....	12,311,342	14,897,442
Bills payable.....	52,669	82,000
Unclaimed dividends.....	5,141	5,632
Expenses (paid in Oct.).....	290,824	451,753
Interest accrued.....	842,041	360,423
U. S. tax account.....	80,315	70,660
Income balance.....	2,854,868	2,921,297
Total.....	\$42,275,999	\$44,975,497

A four per cent dividend was paid in February, 1869. A like dividend was declared on the scrip issue as aforesaid, but the payment thereon has been enjoined by order of the Court.

Perhaps in no other instance has the market price of stock increased to such an extent as the New York Central. The anticipated distribution of scrip raised the quotation from 108 to 136½ in the year 1868. In January it was as low as 80. The following table gives the monthly ranges at New York for five years:

	1863-64.	1864-65.	1865-66.	1866-67.	1867-68.
October.....	133½ @ 133½	133½	133½	133½	133½
November.....	130 @ 130½	130½	130½	130½	130½
December.....	131 @ 131	131	131	131	131
January.....	130 @ 137½	130	130	130	130
February.....	133 @ 133	133	133	133	133
March.....	135½ @ 145	135½	135½	135½	135½
April.....	130 @ 144½	130	130	130	130
May.....	129 @ 135½	129	129	129	129
June.....	130½ @ 135	130½	130½	130½	130½
July.....	131½ @ 135½	131½	131½	131½	131½
August.....	133½ @ 133	133½	133½	133½	133½
September.....	114 @ 120	114	114	114	114
Year.....	114 @ 145	80 @ 138½	86½ @ 114½	95½ @ 133½	103

We have the Erie in hand, and shall probably be able to give an account of that great enterprise in our next issue.

RAILROAD EARNINGS FOR FEBRUARY AND SINCE JANUARY 1.

We have compiled our usual monthly statement of the earnings of those railroad companies, which make public their monthly returns of traffic; it will be seen that in most cases the figures compare quite favorably with those for the same period in 1868, although last year gave an additional working day in February. Below we give the gross earnings for the month for the two years with the increase and decrease:

GROSS EARNINGS IN FEBRUARY.

	—In February—		
	1869.	1868.	Increase.
* Chicago & Alton.....	804,827	296,496	8,831
Chicago & Northwestern.....	827,254	80,787	26,467
† Chicago, Rock Island & Pacific.....	808,909	861,900	16,309
Illinois Central.....	558,798	531,24	27,558
Marquette & Cincinnati.....	21,666	21,669	10,667
Michigan Central.....	220,626	204,115	16,521
Michigan Southern.....	255,861	239,790	24,145
Milwaukee & St. Paul.....	230,223	220,634	.....
Ohio & Mississippi.....	216,080	23,761	.....
Pittsburg, Fort Wayne & Chicago.....	183,997	604,316	.....
St. Louis, Alton & Terre Haute.....	127,817	123,393	.....
Western Union.....	42,208	40,703	1,495

The following statement shows the Earnings from January 1 to March 1, in 1869 and 1868. From this it appears how well the present year has opened, for although 1868 showed large gains, this year the figures are even better for most of the leading roads. The decrease in the

* 421 miles, against 260 in 1868.

† 506 miles, against 464 in 1868.

and Mississippi is from special causes, and St. Louis, Alton and Terre Haute and Western Union also return a trifling decrease. But with these exceptions the whole list gives a very material increase in earnings, ranging from \$16,000 to \$155,000. We omit from the statement the earnings of the Atlantic and Great Western and the Toledo, Wabash and Western, as they cannot yet be procured from the respective offices :

GROSS EARNINGS FROM JAN 1. TO MARCH 1.

	1869.	1868.	Increase.	Dec.
* Chicago & Alton.....	641,589	556,035	88,554	.....
Chicago & Northwestern	1,638,472	1,542,718	155,759	.....
† Chicago Rock Island & Pacific.....	641,509	565,000	76,509	.....
Illinois Central.....	1,153,204	1,104,588	49,616	.....
Marion & Cincinnati	190,183	174,032	16,151	.....
Michigan Central.....	714,755	648,005	66,750	.....
Michigan Southern.....	742,662	710,700	31,962	.....
Milwaukee & St. Paul	781,363	719,871	61,492	.....
Ohio & Mississippi.....	396,446	443,824	.....	46,378
Pittsburg, Fort Wayne & Chicago.....	1,311,718	1,109,821	101,897	.....
St. Louis, Alton & Terre Haute.....	260,439	260,486	.....	547
Western Union	81,193	87,128	.....	2,930

It must be remembered that the earnings given are in all cases *gross earnings*, as Expenses and net Earnings are reported by one company only—the Pittsburg, Fort Wayne and Chicago—a practice which might well be followed by every company whose stock is sold at the Exchange.

THE PUBLIC CREDIT BILL AND THE ADVANCE IN FIVE-TWENTIES.

Now that the long pending “Public Credit Bill” has become the law of the land, it is not out of place for us to call attention to some aspects of the measure which have received from the general public less attention than would have been claimed for them had less excitement prevailed about its main features.

The purpose of the bill as set forth in its preamble is “to remove any doubt as to the purpose of the government to discharge all its obligations and to settle conflicting questions and interpretations of the laws authorizing such obligations.” As these “doubts” and “conflicting questions” have seriously injured the public credit and have operated in the markets of the world to depress the price of our bonds below their fair average as compared with the securities of other governments offering an equal rate of interest, it was reasonable to anticipate that the passage of an act solemnly adjusting such questions, and submitting to a final permanent adjustment such doubtful interpretations would be attended by a pronounced advance in the quotations for United States securities both at home and abroad. How gratifying a change has occurred in this respect has been duly recorded in the CHRONICLE and is familiar to our readers. Never since the out-

* 431 miles, against 280 last year. † 506 miles, against 454 last year.

break of the war has the credit of this country abroad been raised proud a position as it occupies to-day.

It is a common error to suppose that the only "doubt" which depressed the price of our government bonds is as to the point whether principal would be paid at maturity in coin. This is only one of a multitude of mooted and mischievous "questions." Another almost equally mischievous is connected with the option which the government possesses of redeeming the Five-Twenties at any time after the lapse of five years from their date. It was argued by some very eminent lawyers that our government might at any time use this option and redeem the bonds in currency. This opinion at once reduced our Five-Twenties from the category of twenty-year securities, and placed them in an inferior and unattractive category. It is well-known that a twenty-year investment at 6 per cent in coin is worth more than either a five-year or a ten-year investment at the same rate. It is in conformity with this principle of practical finance that the British Consols and the French Rentes have been made absolutely irredeemable. On the one side payment of the principal can never be demanded by the owner of the security, and on the other side the French or English government can never pay off any part of its debt except by the method of purchase in the open market. It is this irredeemability, this positive permanence of duration that we find to be the chief of those financial forces which place the Consols and the Rentes far above other securities, yielding the same amount of annual interest. Now it is this principle of permanence that has been heretofore prevented from operating on the market values of our five twenties. Last Thursday, however, the incertitude and vague distrust which has resulted from the "five-year option of redemption" received its final quietus from the clauses of the Public Credit Bill which positively declares that the principal of the Five-Twenties shall be "redeemed or paid before maturity on such time as United States notes shall be convertible into coin at the option of the holder." In other words the Treasury freely and forever gives up the option of the five-year redemption except after the resumption of specie payments.

It is evident also that this pledge and promise so solemnly given can never be recalled. By some future act of the forty-first Congress or of some future Congress the public credit act may by some chance be repealed. But a pledge of the credit of the government given in such specific terms as this can never be repealed. It enters into the essence of the contract and is binding upon both the parties to that contract except both parties to cancel it. Without the consent therefore of the holders of the bonds no act of Congress can ever repeal the promise of coin payment, nor can it ever give to the five-year option its former ambiguous and mischievous power to depress our securities and to impair their value.

It is true the permanence of the investment offered now by the United States pledges its faith to make provision at the earliest practicable period for the redemption of greenbacks in coin." When this is consummated, the five-year option revives with it. This option also revives if "bonds of the United States, bearing a lower rate of interest, can be sold at par in coin." At the present rapid rate of advance in the quotations it would be rash to predict that that price will not soon be struck. Still as the bill stands it is a very satisfactory measure, and indeed it is beyond question the most important financial bill which for some years has been placed on the statute-book.

CHICAGO AND ALTON RAILROAD.

The annual report of the Directors of this Company for the year ending Dec. 31, 1868, has just been issued, from which we extract the following statement of the operations of the company for the year 1868 :

Since the date of the last Report, this company has acquired, by lease, possession in perpetuity of the St. Louis, Jacksonville and Chicago Railroad, at a minimum rental of \$240,000 per annum.

The fixed charges upon your property for the year 1869 may therefore be stated as follows :

Preferred Sinking Fund Bonds, for Interest and Sinking Fund payments.....	\$72,000
First Mortgage say	168,000
Income Bonds, say	77,000
Joliet and Chicago lease, say	160,140
St. Louis, Jacksonville and Chicago lease, (minimum rental,)	240,000
Total	\$717,400
Including Sinking Fund payments and Government Tax.	

The following statement and figures will exhibit the gross receipts and expenditures for the year 1868 :

EARNINGS.	
From Passenger Traffic.....	\$1,305,570 16
" Freight Traffic	2,958,623 89
" Express Companies	127,290 65
" Transportation of U. S. Mail.....	47,753 96
" Miscellaneous Sources.....	74,393 81
	\$4,508,642 97
EXPENSES.	
The transportation expenses for the year were as follows:	
For Conducting Transportation.....	\$501,191 73
" Motive Power	727,156 01
" Maintenance of Way	818,310 18
" " " Cars.....	222,937 01
" General Expenses	198,547 58
	\$2,468,192
Net Earnings	\$2,040,450 38

The financial condition of the company for the year may be stated as follows :

INCOME.	
Balance to credit of this account.....	\$924,352 23
Net Receipts during the year.....	2,045,460 33
	\$2,969,812 61
DISBURSEMENTS.	
Interest on Bonds of all Classes.....	\$273,245 00
Paid Sinking Funds	60,000 00
Rent to Joliet and Chicago R. R. Co., exclusive of Sinking Fund.....	144,049 97
Rent to St. Louis, Jacksonville and Chicago Co.....	140,000 00
Dividends Nos. 10 and 11.....	729,984 20
Government Tax on C. and A. Sinking Fund.....	2,100 00
Cost of Improvements charged this account	635,766 07
	1,985,145 24
	\$984,667 37

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer returns in Treasury Department, on the 1st of February, and 1st of March, 1869:

DEBT BEARING COIN INTEREST.

	February 1.	March 1.	Increase.	Decrease.
per cent. bonds.	\$221,589,900 00	\$221,589,900 00	\$.....	\$.....
" 1861.	283,677,400 00	283,677,400 00	.....	.....
" (5-20's)	1,602,588,350 00	1,602,587,250 00	4,000 00	.....
Total	2,107,855,650 00	2,107,854,050 00	4,000 00	.....

DEBT BEARING CURRENCY INTEREST.

per cent (RR.) bonds.	\$52,417,000 00	\$52,937,000 00	\$1,920,000 00	\$.....
per cent. certificates.	57,110,000 00	57,140,000 00	.....	270,000 00
every Pen. F'd 3 p.c.	14,000,000 00	14,000,000 00	.....	.....
Total	123,527,000 00	125,077,000 00	1,550,000 00	\$.....

MATURED DEBT NOT PRESENTED FOR PAYMENT.

U. S. due Aug. 15, '67, J's & J'y 15, '63.	\$1,977,180 00	\$1,815,350 00	\$.....	\$160,830 00
U. S. comp. int. notes mat'd June 10, July 15, Aug. 15 Oct. 15, Dec. 1, 1867, May 15, Aug. 1, Sept. 1 & 15, and Oct. 1 & 15, 1868	3,599,170 00	3,423,460 00	.....	175,710 00
U. S. of Texas ind'ty.	266,000 00	266,000 00	.....	.....
U. S. treasury notes (old).	148,411 64	148,411 64	.....	.....
U. S. of Apr. 15, 1848, Jan. 25, 1847 & Mar. 31, 1848	278,400 00	203,800 00	.....	74,600 00
U. S. of Mar. 2, 63.	445,492 00	375,632 00	.....	69,860 00
U. S. temporary loan.	189,313 00	189,010 00	.....	303 00
U. S. of ind'ty.	12,000 00	12,000 00	.....	.....
Total	6,870,985 64	6,432,463 64	\$.....	\$438,522 00

DEBT BEARING NO INTEREST.

United States notes.	\$356,071,073 00	\$356,071,073 00	\$.....	\$.....
National currency.	35,511,137 54	36,781,517 50	1,270,419 96	.....
U. S. cert. of deposit	22,638,530 00	22,753,580 00	.....	2,033,950 00
Total	414,219,740 54	415,606,170 50	.....	\$1,367,900 00

RECAPITULATION.

Debt bearing coin interest.	2,107,855,650 00	2,107,854,050 00	4,000 00	.....
Debt bearing currency interest.	123,527,000 00	125,077,000 00	1,550,000 00	.....
Matured debt	6,870,985 64	6,432,463 64	.....	438,522 00
Debt bearing no interest	414,219,740 54	415,606,170 50	.....	1,367,900 00
Aggregate	2,652,473,376 18	2,652,473,376 14	.....	2,448,000 00
in & cur. in Treas.	106,174,049 10	115,594,759 75	9,420,710 65	.....
Debt less coin and currency	2,546,300,327 08	2,543,577,904 25	.....	2,764,000 00

The following statement shows the amount of coin and currency separately on the dates in the foregoing table:

COIN AND CURRENCY IN TREASURY.

in	\$22,732,716 44	\$22,731,300 72	\$1,415,415 72	\$.....
currency.	17,44,332 06	16,834,329 04	.....	607,903 02
Total coin & cur'y.	40,177,048 50	41,565,629 76	1,428,710 65	.....

The annual interest payable on the debt, as existing February 1, and March 1, 1869, compares as follows:

ANNUAL INTEREST PAYABLE ON PUBLIC DEBT.

5-3 per cent.	\$12,277,400 00	\$12,277,400 00	\$.....	\$.....
" 5 " 1861	12,277,400 00	12,277,400 00	.....	.....
" 5 " (5-20's)	9,000,000 00	9,000,000 00	.....	.....
Total coin interest.	\$23,554,800 00	\$23,554,800 00	\$200 00	.....
currency—5 per cent.	\$2,777,700 00	\$2,777,700 00	123,500 00	.....
" 5 "	2,777,700 00	2,777,700 00	.....	.....
Total currency interest.	\$5,555,400 00	\$5,555,400 00	\$.....	\$.....

ACT REGULATING REPORTS OF NATIONAL BANKS.

The following is a copy of the bill relative to reports of national banks as reported by a conference committee and finally passed :

An ACT Regulating the Reports of National Banking Associations.

Be it enacted, &c., That in lieu of all reports required by section 84 of the National Currency act every association shall make to the Comptroller of the Currency not less than five reports during each and every year, according to the form which may be prescribed by him, verified by the oath or affirmation of the president or cashier of such association and attested by the signatures of at least three of the directors, which report shall exhibit in detail and under appropriate heads the resources and liabilities of the association at the close of the business on any past day to be by him specified, and shall transmit such report to the Comptroller within five days after the receipt of a request or requisition therefor from him; and the report of each association above required, in the same form in which it is made to the Comptroller, shall be published in a newspaper published in the place where such association is established, or if there be no newspaper published in the place, then in the one published nearest thereto in the same county, at the expense of the association, and such proof of publication shall be furnished as may be required by the Comptroller. And the Comptroller shall have power to call for special reports from any particular association, wherever in his judgment the same shall be necessary, in order to a full and complete knowledge of its condition. Any association failing to make and transmit any such report shall be subject to a penalty of \$100 for each day after five days that such bank shall delay to make and transmit any report as aforesaid, and in case any association shall delay or refuse to pay the penalty herein imposed, when the same shall be assessed by the Comptroller of the Currency, the amount of such penalty may be retained by the Treasurer of the United States upon the order of the Comptroller of the Currency, out of the interest as it may become due to the association on the bonds deposited with him to secure circulation. And all sums of money collected for penalties under this section shall be paid into the Treasury of the United States.

Sec. 2. And be it further enacted, That, in addition to said reports, each national banking association shall report to the Comptroller of the Currency the amount of each dividend declared by said association, and the amount of net earnings in excess of said dividends; which report shall be made within ten days after the declaration of each dividend, and attested by the oath of the president or cashier of said association and a failure to comply with the provisions of this section shall subject such association to the penalties provided in the foregoing section.

ABOLITION OF TRANSIT DUTIES IN NEW JERSEY.

The following is the act passed unanimously by both branches of the New Jersey Legislature, March 1, and signed by Governor Randolph, abolishing the transit duty exacted by the State from Railroad corporations for all passengers and freight carried by them :

AN ACT RELATIVE TO TRANSIT DUTIES.

1. *Be it enacted by the Senate and General Assembly of the State of New Jersey*, That from and after the passage of this act, all transit duties, whether on passengers or freight, shall be and they hereby are abolished.

2. *And be it further enacted*, That all companies heretofore paying duties to the State shall hereafter pay each year, in quarterly payments as heretofore to the Treasurer of this State, a tax of one half of one per centum upon the costs of their respective works, including all their property of every description not otherwise taxed, until the Legislature shall, by general law, impose a uniform State tax, equally applicable to all railroad and canal corporations of this State, and said companies shall then pay such uniform tax; and until such general law be passed, no company heretofore paying transit duties as aforesaid shall, in any year hereafter, pay a less sum as tax to the State than that paid by it for taxes and duties of all kinds for the year eighteen hundred and sixty-eight, and said amounts shall be paid by them in equal quarterly payments, and no other tax or impost shall be levied or assessed upon said companies.

3. *And be it enacted*, That this act shall not apply to any corporation having a contract with this State in reference to taxation, unless within three months from the passage hereof, this act and its provisions be accepted by the board of directors of such corporation in place of said contract, and a certificate of such acceptance, under the corporate seal of such corporation, be filed in the office of the Secretary of State, which certificate, or a duly certified copy thereof, shall be a denary evidence of such acceptance and until the filing as aforesaid of such acceptance, such corporation shall pay as now required by law.

4. *And be it enacted*, That this act shall take effect immediately.

NAUGATUCK RAILROAD COMPANY.

In his annual report of this company the President remarks: "The business for the year has been larger than that of the year preceding; and, in fact, it has been the largest business ever done on your road in any one year, as you will see by your Treasurer's report. It has been put down the past year six hundred and thirty tons of steel rails; also eight hundred tons of iron rails—being a much larger quantity than has been put down before in any one year. The track is now in fair condition, but I should recommend that five or six hundred tons be put down this year. There has also been put in the track twenty thousand ties, being a larger quantity than usual, and many more than will be required this year."

RECEIPTS		EXPENSES	
Transportation of Freight.....	\$766,473	Repairs of Road.....	\$10,019
" Passengers.....	17,895	Repairs of Rolling Stock, Buildings, &c.....	1,870
" Mails.....	4,550	Passengers Expenses.....	11,270
" Express.....	11,270	Freight.....	8,592
" Milk.....	8,592	Engle Coal.....	7,530
From all other sources.....	7,530	Other.....	1,870
Total.....	\$512,313	Total.....	\$31,997
Balance.....			

DEDUCT.	
Taxes.....	\$31,997
Coupon Interest.....	10,019
Net gain in 1868.....	\$11,988
From which take dividend —	
No. 25, February 15, 1868.....	\$71,890
No. 26, August 15, 1868.....	\$73,635

Add Balance of Profit and Loss, January 1, 1868..... \$21,997

Balance at the credit of Profit and Loss, December 31, 1868..... \$21,997

BALANCE SHEET OF THE NAUGATUCK RAILROAD COMPANY, DEC. 31, 1868.

Dr.			
Construction and Equipment.....	\$1,911,745	Capital Stock (12,150 shares).....	\$1,870,000
Improvement in 1868.....	114,934	Mortgage Bonds (due in 1870).....	1,870,000
Due from Stations.....	41,619	Coupon Interest.....	1,870,000
" Gen'l P. O. Dept.....	590	December Expenses.....	1,870,000
" " Corruptions.....	31,516	Unclaimed Dividends.....	1,870,000
Railroad Stock.....	7,530	Coupon and Internal Revenue Taxes.....	1,870,000
Cash.....	69,437	Profit and Loss.....	1,870,000
U. S. 5-40 Bonds.....	7,530		
Notes Receivable.....	11,409		
Materials on hand.....	63,239		
	\$2,257,331		

H. FICHOLS, Treasurer.

CERTIFICATE OF CHECKS.

The following is the text of the new law in reference to certifying checks on national banks:

Be it enacted, &c., That it shall be unlawful for any officer, clerk or agent of any national bank to certify any check drawn upon said bank unless the person or company drawing said check shall have on deposit in said bank at the time such check is cashed an amount of money equal to the amount specified in such check, and a check so certified by duly authorized officers shall be a good and valid obligation against such bank; and any officer, clerk or agent of any national bank violating the provisions of this act shall subject such bank to the liabilities and proceedings on the part of the Comptroller, as provided for in section fifty of the National Bank Law, approved June 8, 1864.

ILLINOIS RAILROAD BILL.

General Fuller's bill regulating the charges of railroads for the transportation of passengers and freight has now become a law in Illinois. The Chicago Tribune has the following remark upon it:

"Stripped of its verbiage, reduced to its actual meaning, directed of its legislative intent, the whole requires only the fact that where A and B, living at the same station, the same class of freight, to be sent to the same point the railroad shall not charge the any higher than is charged to the other. The requirement that the rates shall be uniform no other effect than that all others having been taken away by the enactment in the itself. The requirement that the rates shall be 'reasonable' is no more than is required by existing law.

CLEVELAND, COLUMBUS, CINCINNATI AND INDIANAPOLIS RAILWAY COMPANY.

Statement of earnings and expenses for the year 1868, in including the earnings and expenses of the C. C. & O. R. R. and the Bellefontaine Railway, from January 1st to May 14th, 1868, the date of consolidation:

EARNINGS.			
From Passengers.....	\$949,233	Repairs of Freight cars.....	175,828
" Freight	1,843,129	" Track	455,656
" Express	115,114	" Buildings	26,193
" Mail	61,918	" Fences	9,951
" Rents	42,901	" Bridges	24,264
" Leasing Branch	8,846	Oil, Tallow and Waste	35,881
" Interest and Dividends	11,943	Fuel	295,479
" Miscellaneous sources	15,065	Damages to stock	6,790
" *Division of earnings with L. M. & C. & X. R. R. to November 30th.....	8,349	Losses and damages to freight	9,811
		ratilities and per'l damages	13,033
		Repairs and expenses of Tel.	22,056
		Balance paid on account of Car service	5,297
Total.....	\$2,962,613	Working expenses. (66 7-10 per cent of earnings)	\$1,976,012
EXPENSES.		State and National Taxes.	152,161
Passenger Expenses.....	\$244,902	Interest on bonds.....	94,935
Freight Expenses.....	412,272		
General Expenses.....	61,876	Total ex. (75 per cent of earnings) ..	\$2,228,099
Repairs of Locomotives.....	200,607		
" Passenger cars.....	46,797		
Net earnings			\$739,513
Out of which dividends have been paid -			
August 1st, 1864, 3 1/2 per cent.....		\$285,400	
February 1st, 1869, 3 1/2 per cent.....		865,844	731,944
Leaving a surplus of			\$8,269
Add surplus transferred from C. C. & C. R. R.		158,049	
Add surplus transferred from Bellefontaine Railway.....		78,283	234,332
Surplus January 1st, 1869.....			\$242,602

ABSTRACT OF LEDGER BALANCES, JANUARY 1ST, 1869.

ASSETS.		LIABILITIES.	
Construction account.....	\$11,934,143	Capital stock, less amount owned and held by the Co.	\$10,460,900
Materials on hand—		C. C. & C. R. R. mort. b'ds (\$25,000 falling due each year)	400,000
For repairs of track	169,893	Bellefontaine & Ind. R. R. 1st mort. bonds less amount owned by Company.....	740,000
For repairs of cars and engines.	153,393	Bellefontaine & Ind. R. R. 2d mort. bonds	16,000
Fuel, oil and waste	183,081	Bellefontaine & Ind. R. R. Income bonds	67,000
Cash and cash assets—		Bel. & Ind. R. R. b'ds, part due	2,000
Cash in hand of Treasurer.....	236,255	Indianapolis, Pitts. & Clev. R. R. 1st mort. bonds	379,000
Cash in hands of Paymaster.....	15,744	Indianapolis, Pitts. & Clev. R. R. 2d mort. bonds, less amount owned by Company	341,000
Due from agents.....	21,015	Dividend No. 2 payable February 1st, 1869.....	365,844
Due from other companies.....	105,805	Surplus earnings.....	212,602
Due from P. O. Department.....	11,014		
Other assets—			
Scioto and Hocking Valley R. R. bonds	2,000		
Real estate not used for roads and depots	30,691		
Woodlands.....	45,701		
Pendleton Stone Quarry	4,916		
Bills receivable.....	18,644		
Insurance ac'ip.....	475		
Total.....	\$12,034,346	Total	\$12,034,346

CLEVELAND, O., February 17, 1869.

GEO. H. RUSSELL, Treasurer.

A bill has passed the Missouri Legislature authorizing the Hannibal and St. Joseph Railroad to increase their stock to an amount not exceeding the cash capital of the road, which will enable the road to pay off its indebtedness to the State and procure a release of the State lien on the road.

OHIO AND MISSISSIPPI RAILROAD.

The annual report for the year ending December 31, 1863, shows the following:

Earnings.	1863.	1867.	Decrease.
Passengers	\$1,301,981 92	\$1,429,210 56	\$198,228 64
Freight	1,766,888 6	1,872,488 25	285,600 29
Express and Mail.....	146,239 79	167,180 46	11,440 67
Total.....	\$2,964,010 67	\$3,452,210 27	\$488,200 60

*Settlements for December not yet made with L. M. & C. & X. R. R.

The ordinary operating expenses show a decrease as compared with 1867, charged under the following heads:

Maintenance of Way and Structures.....	\$251,089 96
motive Power and Cars	284,000 00
Transportation Expenses.....	973,000 00
General Expenses	93,000 00
Taxes, Municipal and Government.....	82,000 00
Damages to Property and Cattle killed, &c.....	20,000 00

Total.....\$1,303,089 96

This shows net earnings for the year the sum of \$663,476 88.

The ordinary expenses really exhibit a much larger sum than legitimately belongs to it, and as compared with 1867, shows a proportionate decrease with the earnings. The difference stated above, between 1867 and 1868, would be added the purchase of 8,500 tons of Railroad Iron, costing the sum of... \$287,000 00

Total.....\$3,300,089 96

Which would increase the net earnings, (deducting the iron purchase from expenses,) the sum of \$951,089 96.

The extraordinary expenses have been reduced about \$500,000, deducting from amount charged, the items of discount of sale of Consolidated Mortgage Bonds, and change of Locomotive Engines and Cars to narrow gauge, and the difference between the amounts charged this account in 1867 and 1868.

Included in the general receipts (not the earnings) is stated the net proceeds of sale of 1,776 Consolidated Mortgage Bonds, disposed of at an average rate of 101 per cent, yielding the sum of \$912,265, which added to the old outstanding makes the bonded debt of the company, 1st January, 1869, \$4,964,000, authorized increased to \$6,000,000, leaving yet to be sold \$1,036,000.

Of the \$10,000,000 Common Stock authorized to be issued, there has been converted "Trustees" certificates into the Common Stock \$19,057,438 83. Of the \$2,500,000 referred stock, there has been converted of the "Trustees" certificates into referred stock, \$2,245,950 89. The whole amount of Preferred Certificates issued as "Trustees" was \$2,854,000, leaving available to be issued of Preferred Common Stock, \$146,000 to complete the amount authorized.

OHIO AND MISSISSIPPI RAILWAY, (CONSOLIDATED,) GENERAL LEDGER ACCOUNT FROM NOVEMBER 1, 1867, TO DECEMBER 31, 1868, INCLUSIVE.

Dr.		
Land Property, for the road bed and superstructures, track and bridges from Cincinnati to East St. Louis.....	\$2,897,800 53	
Amount Charged in 1868	222,520 26	\$31,000
Real Estate and Depots, for depot grounds, buildings, machine shops, reception houses, water stations, &c.	1,808,572 19	
Amount Charged in 1868	44,010 94	
Marion Township Improvement, with transfer station and tracks.....	18,265 44	1,485
Equipment and Rolling Power, for locomotives, passenger, mail, express and baggage cars, and freight cars, value.		1,707
Telegraph line from Cincinnati to East St. Louis.....		15,
Proportion Southern R. R. purchase.....	290,000 00	
Reduced by credit in 1868.....	10,100 54	279
Supplies and machinery, per inventory.....		14,
Inventory of materials on hand.....	14,193 46	
Amount to the shops, increase.....	40,755 87	154
Ordinary Operating expenses.....	500,073 07	
Amount Charged in 1868.....	2,321,513 73	2,301
Extraordinary Expenses, charged.....	18,592 84	
Amount Charged in 1868.....	601,826 04	814
Mortgage Bonds, Coupons and Interest paid		814
Interest on Preferred Stock and Certificates.....		46,
Operating accounts in proportion of settlements.....	40,770 49	
Accounts with Agents and others for uncollected revenue	110,000 84	150
Unpaid Balances on hand.....		164
Total		\$3,300,089 96

Or.		
Common Capital Stock Certificates	\$19,057,473 83	
"Trustees" Certificates, unconverted	942,524 14	
		\$20,000,000 00
"Trustees" Common Certificates to be provided for outside of the Capital Stock		228,604 44
Preferred Capital Stock Certificates	8,345,950 89	
"Trustees" Preferred Certificates, unconverted	8,173 73	
		8,354,124 62
First Mortgage Bonds, E. D., due July 1, 1873		2,050,000 00
Second " " W. D., due July 1, 1874		850,000 00
Income " " W. D., due July 1, 1874		556,000 00
Funded Debt " " W. D., due October 1, 1863		2,150 00
Consolidated " due January 1, 1898	1,078,000 00	18,500 00
Exchanged for Second Mortgage Bonds, W. D.	184,000 00	
		1,270,000 00
Earnings Charged this Account	603,113 65	
Earnings Charged in 1868	2,961,010 67	
		3,572,159 82
Arrearage Account, Pay Rolls unpaid	98,569 85	
" " Bills of purchases unpaid, &c.	107,800 80	
Earning Accounts to be settled	25,000 00	
Notes outstanding	46,880 00	
Open Accounts of 1867 and 1868	231,816 84	
		511,996 60
Total		\$82, 28,894 98
The expenses on account of the proposed change to narrow gauge were as follows :		
Locomotives		\$67,283 63
Passenger cars		17,837 80
Freight cars		101,409 60
Road bed, bridges, &c		18,068 77
Total ..		\$101,624 80

ENGLISH BOARD OF TRADE RETURNS FOR 1868 AND JANUARY, 1869.

The following is from the London correspondence of the *Commercial and Financial Chronicle* :

After the usual delay, the Board of Trade returns for last year have been issued. So far as our exports are concerned, the declared value amounted to £179,463,644, against £180,961,923 in 1867, and, £ 88,917,536 in 1866. The computed real value of our imports was £249,616,802, against £284,318,887 in 1867, and £238,773,192 in 1866. The diminution in our exports was therefore very trifling while our imports exhibited a considerable increase. The value of the wheat flour, cotton, petroleum and wool is less; but of wine, timber silk, silk manufactures, rice, guano, hemp, flax, barley and coffee, more than in the corresponding eleven months of 1867. As regards the exports, the principal changes, so far as the declared value is concerned, are in cotton piece goods, which show a diminution of £3,000,000, in linen piece goods of £350,000, in woollen cloths of £1,560,000; but worsted stuffs show an increase of about £900,000, and worsted yarns of £550,000.

The following particulars show the imports of cotton into the United Kingdom in twelve months :

From—	1866.	1867.	1868.
United States	4,643,370	4,715,733	5,128,971
Habamis and Bermudas	7,515	10,623	737
Mexico	3,145	22	.....
Brazil	611,003	628,711	897,114
Turkey	92,926	57,014	40,933
Egyptian	1,055,400	1,127,511	1,133,419
British India	5,49,770	4,149,259	4,403,095
China	52,120	4,707	.....
Other countries	333,219	27,581	248,574
Total	12,295,803	11,972,051	11,867,893
Computed real value (11 months)	£70,665,433	£13,328,241	£17,683,727

EXPORTS IN TWELVE MONTHS.

To—	1866.	1867.	
Russia	cwt. 860,374	427,234	2
Prussia	81,195	190,198	1
Hanover	5,616	4,118	6
Hanse Towns	895,349	720,491	6
Holland	544,700	561,919	6
Other countries	1,591,558	1,241,629	1,0
Total	3,472,783	3,180,593	2,8

EXPORTS OF COTTON GOODS.

Yarn	lb. 148,804,588	169,096,708	171,8
Piece goods	yard. 2,575,648,189	2,882,023,707	2,962,7
Thread	lbs. 4,865,426	6,511,390	4,8
Of which the following was the declared value :			
Yarn	£12,683,687	£14,971,617	£14,9
Piece goods	57,903,200	53,126,143	60,3
Thread	1,068,413	1,115,815	1,1

With regard to broadstuffs the following are the chief particulars :

IMPORTS OF WHEAT IN TWELVE MONTHS.

	1866.	1867.	
Russia	cwt. 8,987,199	14,025,226	10,4
Prussia	4,401,409	5,572,861	4,3
France	2,478,130	697,416	2,4
Illyria, Croatia and Dalmatia	1,821,879	547,636	1,8
Turkey, Moldavia & Wallachia	524,431	2,446,643	2,0
Egypt	31,831	1,451,774	3,1
United States	65,229	4,188,013	5,1
Chili	309,910	1,946,287	1,3
Total, including other countries	22,156,329	31,645,569	22,1

IMPORTS OF FLOUR.

Hanse Towns	347,012	444,710	
France	2,541,420	1,534,719	
United States	280,712	722,976	
Total, including other countries	4,972,280	2,699,969	2,6
Indian corn	14,322,653	8,540,429	14,3

In 1866, 1867, and 1868 the principal shipments of British and Irish produce and manufactures to the United States were as under :

	1866.	1867.	
Alkali, cwt.	1,783,343	1,422,129	1,7
Beer & ale, bbls.	16,543	1,830	1,6
Coals, tons	134,113	123,393	1,3
COTTON MANUFACTURES :			
Piece goods, yds.	114,744,971	82,489,372	74,8
Thread, lb.	1,581,312	1,404,431	1,5
Earth-ware and Porcelain pgs.	121,519	101,870	1,2
Haberdash ry an Millinery, value	£1,121,829	850,906	£1,1
HARDWARE AND CUTLERY :			
Knives, forks, &c., value	£312,581	£232,907	£312,5
Awls, vices, &c., value	102,584	106,603	1,0
Manufactures of German silver, value	71,000	46,714	71,0
LINEN MANUFACTURES :			
Piece goods, yds.	119,442,607	81,755,016	81,7
Thread	1,964,092	1,863,139	1,9
METALS—			
Iron—Pig, &c., tons	94,700	119,345	94,7
Bar, &c., tons	53,147	41,859	53,1
Railroad, tons	10,243	145,035	10,2
Castings, tons	1,564	1,079	1,5
Hoops, sheets and boiler plates, tons ..	30,671	29,722	30,6
Wrought, tons	11,529	6,970	11,5
Steel Unwrought, tons	21,017	19,036	21,0
Copper, wrought, cwts.	9,549	2,642	9,5
Lead, pig, tons	5,416	7,011	5,4
Tin plates, cwts.	1,076,774	1,660,284	1,0
Oilseed, galls	2,399,697	1,296,658	2,3
Salt, tons	161,277	164,299	1,6
SILK MANUFACTURES—			
Broad piece goods, &c., yards	674,344	212,313	674,3
Handkerchiefs, &c., dozens	5,215	2,790	5,2
Ribbons, lbs.	27,163	15,016	27,1
Other articles of silk only, value	£299,787	45,247	£299,7
Silk manuf's mixed with other materials	£5,617	77,004	£5,6
Spirits, British, gal s.	147,813	93,222	147,8
Wool, lbs.	180,640	16,142	180,6

WOOLEN AND WORSTED MANUFACTURES—

Cloth of all kinds, yards.. .. .	5,154,903	3,263,855	2,488,261
Carpets and druggets, yards.. .. .	4,502,323	3,692,870	3,428,580
Shawls, rugs, &c. number.. .. .	164,881	112,351	101,260
Worsted stuffs and waistcoatings, yards.. .. .	75,860,49	50,431,896	69,465,226

The Board of Trade returns for January have also been published, and they indicate that the improvement in the general condition of business, which has been so frequently asserted, and as frequently denied, has clearly taken place, for the declared value of our exports in the first and slackest month of the year was £1,800,000 greater than in 1868, and £900,000 more than in 1867. The total for the month was £13,621,114, against £12,252,688 last year, and £12,786,812 in 1867. Influenced, no doubt, by the improved condition of the South, which has been caused by the very remunerative cotton crop now being disposed of, and also by the abundant wheat crop in the Western States, our exports of goods to the United States in January were considerably in excess of those in the corresponding month last year; and, in the main, an active trade was carried on. As compared with January last year, the shipments of alkali show an increase of 19,301 cwt.; of beer and ale, of 981 barrels; coals, 3,308 tons; cotton piece goods, 3,928,930 yards; earthenware and porcelain, 3,827 packages; haberdashery and millinery, £6,360; manufactures of German silver, £9,311; linen piece goods, 1,919,840 yards; pig iron, 3,022 tons; bar ditt., 3,210 tons; railroad iron, 2,422 tons; iron hoops, sheets, and boiler plates, 2,064 tons; wrought iron, 571 tons; steel, 415 tons; tin plates, 73,174 cwt.; salt, 3,393 tons; silk piece goods, 21,312 yards; silk ribbons, 862 lbs.; English wool, 16,999 lbs.; foreign do, 942,577 lbs.; carpets and druggets, 182,891 yards; and worsted stuffs, of as much as 2,022,950 yards. The increase in the exports of British and Irish produce and manufactures to the United States was almost general, linen thread and cotton thread being the only two articles in which there is any diminution of importance.

COMMERCIAL CHRONICLE AND REVIEW.

Monetary Affairs—Rates of Loans and Discounts—Bonds sold at New York Stock Exchange Board—Price of Government Securities at New York—Course of Consols and American Securities at New York—Opening, Highest, Lowest and Closing Prices at the New York Stock Exchange—General Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.

February has been characterised by a steady course of monetary affairs. The condition of the banks has not materially changed. Less money has been returned from the interior than is usual at this season of the year. Some moderate amounts have been sent to the South and Southwest; and the West, instead of returning currency, has been an applicant for money. The very large amounts of grain being carried in that section have, to a certain extent, locked up the resources of the local banks, preventing them from accommodating the distributors of merchandise; and the result has been considerable irregularity in the payments of the Western merchants. Indeed the banks of this city have been discounting grain paper for the Western banks at a time when they are usually the recipients of funds sent in payment of goods bought. It is somewhat singular that, as yet, there should be no reflux of currency from the South. An unusual amount of money has been sent to that section, and its merchants have bought freely of merchandise in the market, paying largely in cash, and selling promptly where they have credits; yet evidently the receipts on account of cotton have largely exceeded the payments for goods; and the question occurs what has become of

the surplus? Very little can have passed into the Southern banks, or it have found its way here on deposit. From the tenor of our information from the South, we incline to the conclusion that a large amount of currency is hoarded by the planters, to be held out of circulation until a later period their wants may compel them to purchase merchandise. The comparative scarcity of banks in the interior of the South renders it inevitable that a certain amount of currency must rest, at certain seasons in the hands of the planting population, and when, as this year, the total realised on the crop is unusually large, the surplus so kept temporarily stagnant, must be correspondingly large. It is generally conceded among bankers that the banks of the interior have drawn out all their deposits from their New York agents; and this fact, while it accounts for the very low condition of the legal tenders and deposits, at the same time protects the banks against any further considerable drain.

The general trade of the city can hardly be considered as having proved satisfactory. The South has bought somewhat freely—the natural consequence of its ample crops—and has generally paid promptly. The West, however, has not been so good a customer as might have been expected from the large amount realised upon its crops. Western merchants, have complained of slowness in the payments of their customers, and have not met their obligations here with the promptness that could be desired; and under such circumstances they have been necessarily cautious, and less than was expected.

In Wall street affairs, United States bonds have attracted the chief interest. The introduction in Congress of a bill closing up all outstanding authorities for the issue of bonds (excepting to the Pacific Railroads) and of a measure providing for the principal of the debt payable in gold, have produced a much stronger feeling in favour of Government securities both at home and abroad. It is estimated that between \$30,000,000 to \$35,000,000 of United States bonds were sent to Europe, in February, besides a considerable amount of other securities; and yet, in spite of this large new supply, the price of bonds at London has advanced from 83, a rise of $7\frac{1}{2}$. This rise has been adjusted to the home market by an advance in bonds of $4\frac{1}{2}$ per cent, and a decline in gold of about $4\frac{1}{2}$ points. The result, of course, being, under these circumstances, a very active speculative movement in these securities, and the registered sales at the Stock Exchange reach \$2,000,000, against \$1,390,000 for the corresponding month of 1868.

The following are the rates of Loans and Discounts for the month of

RATES OF LOANS AND DISCOUNTS.

	Feb 5.	Feb 12.	Feb 19.	Feb 26.
Call loans	7 @—	7 @—	7 @—	7 @—
Loans on Bonds and Mortgage ..	—@ 7	—@ 7	—@ 7	—@ 7
A 1, endorsed bills, 2 mos	7 @ 8	7 @ 8	7 @ 8	7 @ 8
Good endorsed bills, 3 & 4 mos	8 @ 9	8 @ 9	8 @ 9	8 @ 9
“ “ single names	9 @ 10	9 @ 10	9 @ 10	9 @ 10
Lower grades	12 @ 15	12 @ 15	12 @ 15	12 @ 15

The total transactions for the month at the two boards have been 1,000 shares, against 1,937,024 shares for the corresponding month last year.

Classes.	1868.	1869.	Increase.
Bank shares ..	4,851	2,451	...
Railroad “ ..	1,685,155	797,468	...
Coal “ ..	7,275	6,879	...
Mining “ ..	15,063	25,150	21,036
Improv't “ ..	45,637	17,050	...
Telegraph “ ..	79,644	41,470	...
Steamship “ ..	116,460	79,011	...
Expr's &c “ ..	82,788	87,241	...
Total—January	1,987,034	1,017,014	...

The following table will show the opening, highest, lowest and closing of all the railway and miscellaneous securities quoted at the New York Exchange during the months of January and February, 1869:

	January				February		
	Open.	High.	L. w.	Clos.	Open.	High.	Low.
Railroad Stocks—							
Alton & Terre Hart.....	41	47½	38	48	41½	47½	38
do do pref.....	61	69½	61	69½	68½	69½	68½
Boston, Hartford & Erie.....	27	33	27	37½	.....	11	.....
Chicago & Alton.....	147	161	147	160	154	161	150
do do pref.....	148	150	148	150	153½	160	153
Chicago, Burlington & Quincy.....	190	200	185	188	197	197	187
do do & St. Eastern.....	43	48	42	44	.....	.....	.....
do do & Northwest.....	61	74½	61	64½	64½	81½	61
do do do pref.....	84½	92	83½	91	97½	92½	90
do do & Rock Island.....	118½	125½	117½	123½	120½	124	120½
Cin., Ham. & Dayton.....	77	77	77	77	.....	.....	.....
Columb. Chic. & Ind. C.....	48	50	43½	57	58	58	46½
Clev. & Pittsburgh.....	84½	98½	84½	96½	98½	94	80½
do do Toledo.....	100½	107	100½	101½	104½	108½	104½
do do Col. in & Ind.....	74	75	73	74	74	74	68½
Del., Lack. & Western.....	119½	120½	119	119½	119½	119½	115
Dubuque & Sioux City.....	94	97	94	97	108	107	108
Erie.....	29	40½	28	20½	28	28	28
do pref.....	63	74	61½	63	.....	.....	.....
Harlem.....	131½	147½	126	128	140	140	127
Hannibal & St. Joseph.....	90	110	90	110	110	123	109
do do pref.....	91½	110	91½	109	109½	115	108
Hudson River.....	135½	137½	130	135½	125	128½	125
Illinois Central.....	142½	144½	140	140	140	145	135½
Joliet & Chicago.....	79	92	79	79	95	95	95
Long Island.....	46	46	45	45	.....	.....	.....
Lake Shore.....	99	108	99	103	101½	105½	101½
Mar. & Cincin., Ist.....	.....	.....	.....	.....	22½	28	22½
do do do.....	9	9	9	9	8½	8½	8
Michigan Central.....	118	121	114	120	119½	120	117½
do do S. & N. Ind.....	28½	38	27½	28½	28½	30	28½
Milwaukee & St. Paul.....	60	77½	61	77½	66½	67	64½
do do pref.....	80	96½	87½	94	81½	81½	77
Morris & Essex.....	88	97½	83½	87	78	67	86
New Jersey.....	120	120	120	120	120	120	120½
do do Central.....	118½	118½	113½	113	114	114	110
New York Central.....	130½	166½	154½	163½	168	165½	161
do do & N. Hav. &.....	120	140	129	155	154	154	143
Norwich & Worcester.....	96	100	96	97	96	105	96
Oil Creek & Alleghany.....	77	77	77	77	78	78	78
Ohio & Mississippi.....	24½	29	28½	29	28	28½	28
do do do pref.....	77	77	77	77	78	77	75½
Panama.....	248	243	240	244	240	240	232
Pittsb., Ft. W. & Chic.....	118½	124½	117½	124	121	123	117½
Reading.....	88	98½	88	97½	96½	96½	91½
Stonington.....	80	80	80	80	82	82	82
Toledo, Wab. & Western.....	69½	67	69½	65	65	65	65½
do do do pref.....	74	75	73	73	77½	77½	77
Miscellaneous—							
As. barton Coal.....	.....	.....	.....	.....	12	22	12
American Coal.....	48	48	48	48	.....	.....	.....
Central.....	80	81	81	84	85	87	86
Cumberland Coal.....	28	29	27	26½	26½	29½	26
Del. & Hud. Canal Coal.....	120½	123	125½	126	125½	129	125
Pennsylvania Coal.....	215	229	215	229	.....	.....	.....
Spring Mountain Coal.....	40	40	40	40	60	60	60
Atlantic Mail.....	21	29	21	22	.....	.....	.....
Pacific Mail.....	119½	122½	117½	121	119½	120	97½
Boston Water Power.....	13½	18	18½	16	16½	16	15½
Canton.....	49½	62	49½	61	60	61½	60
Brunswick City.....	10	10	9½	10	10	10	9½
Mariposa.....	6	8½	6	7½	8	11½	8
do do pref.....	21	25½	20	24	24½	28½	24½
Quicksilver.....	22	26	24	24½	22½	26½	23½
Manhattan Gas.....	220	220	220	220	220	220	220
West. Union Telegraph.....	34	39½	32½	33½	35	39	35½
Bankers & Brokers Ass.....	100	101	100	101	.....	.....	.....
New York Guano.....	5	5	5	5	.....	.....	.....
Express—							
American.....	.....	.....	.....	.....	.....	.....	.....
American M. Union.....	23½	45	26	45	48	50½	28
Adams.....	68½	68	46	64½	63½	69½	58
United States.....	43	69	43	65½	.....	.....	.....
Merchant's Union.....	14½	18½	12½	17½	16	20½	16
Wells, Fargo & Co.....	24	30½	23	30½	21½	21½	20½

The following formula will show the movement of coin and bullion during the month of February, 1868 and 1869, respectively :

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK.

	1868.	1869.	Increase.	Decrease.
Receipts from California.....	4,132,073	2,111,110	.....	2,020,963
Imports of coin and bullion.....	418,875	1,851,755	1,432,880	.....
Coin interest paid.....	1,850,386	1,922,544	72,158	.....
Total reported supply.....	\$4,114,089	\$3,895,349	\$.....	\$218,740
Exports of coin and bullion.....	\$4,203,855	\$4,111,990	\$.....	\$92,865
Customs duties.....	9,735,125	12,179,726	2,444,601	.....
Total withdrawn.....	\$13,988,950	\$16,374,716	\$2,485,766	\$.....
Excess of withdrawals.....	\$7,630,911	\$10,478,327	\$2,847,416	\$.....
Specie in banks decreased.....	1,852,678	7,102,801	5,250,123	.....
Derived from unreported sources.....	\$5,657,222	\$3,331,526	\$.....	\$2,325,696

The course of the gold premium has been determined mainly by the extraordinary foreign movement in bonds. At the opening of the month, gold was held firmly upon the supposition that large amounts would be required during February and March for export. Instead of shipping specie, however, an enormous amount of exchange came upon the market, made against exports of bonds. Under this disappointment of calculations, the price, after opening at 136½ closed weak at 131½, precisely 10 points lower than at the close of February, 1868. The decline has been aided by a growing confidence that we are on the eve of a more conservative administration of public affairs, and that even still further amounts of our securities will be required by foreign investors. The receipts of treasure from California continue to show a heavy falling off, being \$1,000,000 less than in February, 1868. The exports of specie compare closely with those of last year.

COURSE OF GOLD AT NEW YORK.

Date.	Date.	Open'g	Lowest	High'est	Closing
Monday.....	Monday 22		Bull	lay	
Tuesday.....	Tuesday..... 21				
Wednesday.....	Wednesday..... 20				
Thursday.....	Thursday..... 19				
Friday.....	Friday..... 18				
Saturday.....	Saturday 17				
Monday.....	Feb... 1869.....				
Tuesday.....	" 1868.....				
Wednesday.....	" 1867.....				
Thursday.....	" 1866.....				
Friday.....	" 1865.....				
Saturday.....	" 1864.....				
Monday.....	" 1863.....				
Tuesday.....	" 1862.....				
Wednesday.....	" 1861.....				
Thursday.....	" 1860.....				
Friday.....	" 1859.....				
Saturday.....	" 1858.....				

See Jan 1, 1869

The following exhibits the quotations at New York for bankers 60 days bills on the principal European markets daily in the month of February, 1869 :

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London. cents for	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for	Berlin cents for thaler.
1.....			41 @41½			71½ @72
2.....			41 @41½			71½ @72
3.....			41 @41½			71½ @72
4.....			41 @41½			71½ @72
5.....			41 @41½			71½ @72
6.....			41 @41½			71½ @72
7.....			41 @41½			71½ @72
8.....			41 @41½			71½ @72
9.....			40½ @41			71½ @71½
10.....			40½ @41			71½ @71½
11.....			40½ @41			71½ @71½
12.....			40½ @41			71½ @71½
13.....			40½ @41			71½ @71½
14.....			40½ @41			71½ @71½
15.....			40½ @41			71½ @71½
16.....			40½ @41			71½ @71½

17	108% @ 108%	531	@ 517%	18%	85% @ 86%	71
18	108% @ 108%	530	@ 517%	18%	85% @ 86%	71
19	108% @ 108%	517%	@ 516%	18%	85% @ 86%	71
20	108% @ 108%	517%	@ 516%	18%	85% @ 86%	71
21	108% @ 108%	517%	@ 516%	18%	85% @ 86%	71
22	108% @ 108%	517%	@ 516%	18%	85% @ 86%	71
23	108% @ 108%	517%	@ 516%	18%	85% @ 86%	71
24	108% @ 108%	517%	@ 516%	18%	85% @ 86%	71
25	108% @ 108%	517%	@ 516%	18%	85% @ 86%	71
26	108% @ 108%	517%	@ 516%	18%	85% @ 86%	71
27	108% @ 108%	517%	@ 516%	18%	85% @ 86%	71
Feb., 1869	108% @ 108%	530	@ 514%	40% @ 41%	78% @ 79%	85% @ 86%
Feb., 1868	108% @ 110%	516%	@ 513%	41% @ 42%	78% @ 79%	85% @ 86%

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1.

NEW YORK CITY BANK RETURNS.						
Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tenders.	
January 2	\$289,180,037	\$50,726,123	\$24,379,109	\$110,490,445	\$18,698,421	
January 9	278,792,662	27,834,120	24,344,136	187,908,539	51,161,128	
January 16	262,828,831	29,278,626	34,279,153	195,484,843	52,927,083	
January 23	264,104,610	28,664,197	31,365,906	197,101,163	51,022,119	
January 30	265,171,109	27,724,923	34,231,156	196,965,412	54,747,669	
February 6	266,641,732	27,639,401	34,246,486	196,607,600	53,424,133	
February 13	264,890,407	27,534,231	34,263,451	192,977,600	52,384,259	
February 20	263,434,061	23,971,191	34,247,331	187,613,546	50,997,197	
February 27	261,371,697	20,632,603	34,247,981	186,216,175	50,833,054	
PHILADELPHIA BANK RETURNS.						
Date.	Loans.	Specie.	Legal Tenders.	Deposits.		
January 4	\$51,716,999	\$351,483	\$18,200,897	\$23,121,023		
January 11	51,642,237	344,691	13,494,109	23,769,811		
January 18	52,122,789	478,462	12,729,499	23,625,158		
January 25	52,537,015	411,837	14,031,170	23,555,468		
February 1	52,632,818	32,784	14,206,510	22,677,943		
February 8	52,039,716	347,011	13,795,593	22,000,899		
February 15	52,939,591	261,681	13,573,543	22,711,875		
February 22	52,416,146	21,807	12,208,607	22,990,998		
BOSTON BANK RETURNS.						
(Capital Jan. 1, 1868, \$41,900,000.)						
Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.	
January 4	\$98,423,644	\$1,204,401	\$12,908,834	\$27,638,767	\$23,000,000	
January 11	100,727,077	8,075,844	12,804,700	28,032,891	25,000,000	
January 18	102,203,500	2,617,638	12,912,327	29,717,193	25,000,000	
January 25	102,959,342	2,294,710	12,220,874	29,557,747	25,000,000	
February 1	103,696,152	2,161,384	12,164,225	40,228,462	25,000,000	
February 8	101,842,423	2,078,908	12,452,795	29,613,877	25,000,000	
February 15	102,215,044	1,846,524	11,642,256	27,752,722	25,000,000	
February 22	102,252,622	1,546,418	11,160,790	26,323,814	25,000,000	

SPECIAL NOTICE.

WESTFIELD WHIP MANUFACTORY.

When Jasper R. Rand established his whip factory at Westfield in 1833, the manufacture was a slow business; these gentle stimulants were made exclusively by hand—machinery being used only for braiding the thread. That factory has grown to mammoth proportions, and under the management of its present proprietors, Rand, Lewis & Rand, whip manufacture has become a fine art. They have in operation twenty-five braiders, run by water power, of which turns off twenty-five times as much work as the wooden machines formerly in use, five minutes being occupied in braiding one whip. They make whips of all imaginable kinds and styles, from buggy whips worth eighty cents per dozen, to elegant ivory-handled, gold mounted articles worth six hundred dollars per dozen. If all the whips made by them in a year, were put together, they would reach from Boston to Albany and back. Their warehouse is 36 Murray street, New York.

THE MERCHANTS' MAGAZINE AND COMMERCIAL REVIEW!

APRIL, 1869.

THE GOLD PREMIUM.

The recent decline in the gold premium deserves attention, as it appears to be the result of causes of more than ordinary importance. The following statement of the range of the price, each March since the suspension of specie payments, will show that the premium is now exceptionally low for this period of the year :

PRICE OF GOLD AT NEW YORK IN MARCH.

	Highest	Lowest.
1869.	183	180%
1868.	141½	137%
1867.	140%	133%
1866.	138½	124%
1865.	201	148%
1864.	169½	159
1863.	171½	189

Only in 1866, when the contraction bill was under consideration in Congress, has the premium been so low in March as in the present month. Nor has the present decline to 130½ to 132 been the result of speculation ; on the contrary, it has come about in opposition to an unusually strong speculative effort to carry up the price. It is necessary to understand clearly the cause of this decline, in order to judge how far it is likely to prove permanent.

e from our present currency derangements, the consideration
 ers affecting the value of gold is the standing of the Govern-
 and it is rather in influences of this character that we are
 reasons of the present change of the price than in any spe-
 or market causes. Congress has recently taken a prom-
 i upon questions of finance which has a very direct tend-
 k public confidence in the good faith of the Government.
 is agitation of schemes savoring strongly of partial repu-
 which there was more or less apprehension among the
 ra, we find our national Legislature undertaking to supply
 es to these fears. As our readers are aware, a bill has
 ich provides that all obligations of the United States, excep-
 ise expressly stipulated, are payable in coin or its equivalent.
 ide against the fear of an attempt being made to pay our
 bonds before maturity, in a depreciated currency, it is declar-
 ed that they shall be paid before maturity unless the government
 shall have resumed specie payments. This affords the utmost as-
 surance could give that the holders of our securities shall receive
 in full and according to their own interpretation. But, if
 the ultimate good faith of the Government was never
 doubted, this action has had a perceptible effect, how much
 important results might we not anticipate in Europe, where the mis-
 apprehensions at this point have been so decided that our bonds have generally
 been sold at an equivalent to their face value in currency, so that, in the
 case of their being paid in that form, the holders would lose nothing
 at all? Now, therefore, that Congress has interpreted the
 meaning of the contract between the government and the bondholder
 in much more favorable than the foreign holders had generally
 supposed, there has been a rapid appreciation in the value of our
 securities. Five-twenties have advanced 8 per cent since the begin-
 ning of the year, and from that date to the present probably not less
 than 10,000 of bonds have been exported. English investors
 who have scouted over national credit, have now become free
 purchasers of our securities; and in France also the demand has very largely in-
 creased. The appreciation of the public credit abroad has in various ways
 tended to appreciate the price of gold. The honesty of the policy endor-
 sed by large majorities in Congress, has had a very direct influ-
 ence in enhancing the value of every form of Government obligation.
 It not only encourages confidence in the purpose of Congress to pro-
 mote the earliest practical resumption of payment of its notes, and to
 reject all schemes for further inflation which have heretofore found
 favor, but again, the large amount of bonds sent out has enabled us to

at home so much gold which would otherwise have been remitted in settlement of trade balances; and which, again, by increasing our home supply of coin is placing us in so much better condition for contemplating resumption. These influences enhancing the public credit are not only leading foreigners to invest largely in our Government securities, are tending to strengthen confidence in our corporate securities; and hence we have witnessed, simultaneously with the export of government bonds, unusually large shipments of railroad stocks and bonds; which again reduces our exports of specie.

Appearances very strongly indicate that we have not yet seen the full effect abroad of the attitude assumed by Congress upon the debt and resumption questions. It is predicted with much confidence, by those most familiar with the European markets, that foreign investors will now be prepared to hold our bonds at par in American coin, and that further large amounts will be called for. However this may be, it is clear that the already changed value of our bonds abroad places the credit of the Government upon a higher basis; and this fact is a sufficient basis for anticipating that the gold premium, all things being equal, will hereafter permanently range at a lower level; while, in the event of a still further advance in bonds abroad, a corresponding further yielding in gold might be reasonably expected to follow.

We have alluded to these considerations because it appears that there are many who do not yet fully comprehend the changed position of the premium growing out of the appreciation of the public credit. It is not to be overlooked, further, that the action of Congress relative to the payment of the debt may lead, earlier than is generally expected, to very important results in connection with funding. Should, for instance, the present advancing tendency in bonds finally carry them up to a point equal to par for a 5 per cent coin bond, we should then have solved the problem of reducing the interest upon the debt. Without of course predicting that such will be the actual result, it may be assumed that we have entered upon the road running in that direction; and it is only a question of time and of prudence on the part of Congress when we may reach the goal.

But while these influences have a very direct tendency to place the gold premium upon a permanently lower level, there are yet contingencies which may hold this drift in check. For several weeks past, our imports have been upon a large scale and much in excess of those of last year; while our exports have been unusually limited; if, therefore, the foreign markets should not take any further important amount of bonds, we may have to export considerable specie during the Spring; and this consideration is the more important from the fact that the exports of

cotton are likely to prove lighter than was expected. During the months of April, May, June and July, our heaviest shipments of coin are usually made. During those four months of 1868, we exported \$44,400,000 from this port alone; in 1867, \$31,500,000; and in 1866, \$46,000,000. The course of the foreign trade movement would seem to be in favor of equally large shipments this year; but, as before intimated, it remains to be seen how far we may be able to substitute bonds for gold in our remittances. Any advance in the rate of interest by the Bank of England, which seems not improbable, would prove unfavorable to a low premium, as it might induce the sending home of securities now being carried in Europe on account of New York capitalists. The still unsettled condition of the Alabama question, and the possibility of difficult issues being raised in connection therewith, and the diplomatic dangers arising from attempts to involve our Government in the Cuban insurrection are also to be counted among the contingencies favoring speculation at a higher premium. But, allowing for all these influences, we think it may be safely concluded that, within the last three months, the premium has taken a permanent downward step of several points.

TAXING WALL STREET.

The State Legislature appears to have become desirous of emulating the example set them by some of our revenue officers and other officials in heaping burdens upon our bankers and brokers. The Internal Revenue law imposes toll upon these interests at every turn. Collector Wells has made a new interpretation of the tax laws, under which the loans of bankers and brokers are called capital, and subjected to an onerous tax. Congress has passed an act prohibiting the certification of checks, seriously interfering with and (if Banks did not avoid the law) crippling their business; and now a member of our State Legislature, thinking a poor bird is not quite plucked of all its feathers, proposes to draw upon him for the State Government the further sum of \$1,500,000 per annum. Accordingly a bill has been introduced at Albany which proposes to impose on all brokers and on bankers acting as brokers a tax of \$500,000 also upon all sales of gold, silver, bullion, foreign exchange, stocks and bonds, a duty of 1-20th of 1 per cent on the par value. The proposition is such as might have been expected from a rural politician, who is supposed to have any other idea about Wall street than that there is considerable money there, and that the State has a peculiar right to appropriate it toward defraying its liberal expenditures.

It is high time, however, that this highwayman's notion of taxation

to seize money where it happens to be most abundant—were unlearned at least among men holding the responsible position of law makers. An idea very generally prevails that the business of Wall street is merely a system of demoralizing speculation, to be tolerated in much the same way as we should tolerate gambling; but which cannot be overtaxed, simply because so far as taxes may injure its interests they repress a public evil. This vulgar notion finds countenance too much among our legislators; and they are all the readier to embody it into a law from the fact that such laws awaken a responsive chord in popular prejudice. This hostility, however, is simply the result of misconception as to the part that bankers and brokers play in the vast system of commercial and financial exchanges. There is doubtless a certain amount of speculation there based upon factitious occasions, as there is in every branch of business where values are subject to frequent fluctuations. But, at the same time, there is much speculation that is legitimate and wholesome in its results. The perpetual changes in the affairs of corporations are reflected in the fluctuating value of their shares; and how is it to be shown that the purchase or sale of stocks, in accordance with these fluctuations, is illegitimate. The holders of shares are the owners of the properties represented by the stock; and what objection can be urged to the transfer of proprietorship, according to the varying estimate of value between buyers and sellers? The corporate property represented on the stock boards amounts to several hundreds of millions; and considering the many influences directly and indirectly affecting the value of this enormous amount of securities, the wonder is not so much, that large amounts of shares daily change hands in the way of speculation and occasionally with much excitement, but that the transfers are not more frequent and the excitement greater. The men who speculate in stocks are they who watch the movements in our vast transportation system, in our mining operations, in our telegraphs and in our state and federal finances. They are, to a large extent the owners of the capital invested in these enterprises. They change their proprietorship according to their varying estimate of the value of the several investments; one day employing their capital in one company and the next in another, but all the time contributing their quota toward keeping the commercial machinery of the nation in action. Their operations hold out a constant inducement to the organization of remunerative enterprises, and act as a check upon losing ventures. Any scheme which promises a fair return upon the capital invested can find ready takers of its stock among those so-called speculators; while such as are dubious find Wall street a poor market for their shares. Without the agency of this interest, it would have been found impossible to float the immense corporate enterprises to which our national progress is so largely due. Wall

et, in short, is the source and reservoir of capital seeking employment in those associate undertakings which exceed the resources of private enterprise, and without which our commercial and industrial operations must have been confined within dwarfish limits.

In this view of the scope of Wall street operations, what is the justification of the disposition shown by legislators—statesmen we cannot say—to cripple and over-tax this special interest? These taxes and other impostos upon corporate enterprises and upon credit operations, tend to diminish the accumulated capital of the country is to lessen the inducement to employ it, and therefore to strike industry at its root. To tax the transactions in securities tends to prevent them from passing into the hands of those to whom they are most valuable, and so far acts injuriously upon the national enterprise. The tendency of capital is always to seek the most productive employment; it will forsake one investment for another which offers a most fractional advantage; and a very light impost upon these transactions consequently suffices to prevent the immense capital of Wall street from reaching the utmost attainable remuneration. To place this embargo upon the great money centre of the country has a most serious effect in qualifying us for competing with the capital of other nations, and has a very direct tendency to drive capital out of the country. It is a democratic mania which allows a democratic prejudice against capitalistic enterprise to find expression in legislation calculated to fetter the movements of capital, and to interfere with the free exchanges of which all classes and interests are mutually benefited.

CONGRESS AND CURRENCY REDEMPTION.

If the numerous projects which have been offered in Congress to reform our banking system prove nothing else, it is but fair to assume from them, that there is in the public mind some dissatisfaction with the practical working of the National Banking Law. As regards the currency privileges of the banks, the complaints which are most frequently and most loudly heard, address themselves to three distinct points, namely the large profits made by the banks on their notes, the unequal distribution of these notes among the several states, and the disturbance of the money market in consequence of the bad arrangement for redeeming the notes at the financial centres.

First, it is claimed that the banks make too much profit on their currency transactions. To remedy this, some persons are in favor of substituting government checks, depriving the national banks of their currency privileges, and reserving to the government the sole prerogative of issuing notes to circulate as money. Other reformers would be satisfied to leave the banks

in possession of their currency powers; provided that, by a heavy tax on their circulation, these institutions shall be compelled to share their profits with the National Treasury. To accomplish the same end others have preferred to reduce to 4 per cent the rate of interest on the bonds held in Washington as security for national bank currency. Such are some of the projects which have originated in this first charge against the banks.

A second complaint is as to the injustice of the distribution of the currency privilege among the different states. For reasons which have been frequently discussed in these columns, certain officials in Washington took the liberty of awarding and apportioning to some of the richer States a larger part of the 300 millions of notes than those States could claim as their fair allotment. This injustice was rendered the more easy by ambiguities in the three first laws which were passed by Congress to regulate the National banks. Moreover, in consequence of the war the Southern States were debarred, most of them, from the privilege of sharing in the currency distribution. The New England States, however, were on the alert, and old and long established State banks ceased to issue their notes, and qualified themselves under the new law to receive and issue National Bank currency.

Just now, however, the troubles in Wall street give greater prominence to the third set of charges against the banks, which arise out of the oft-recurring stringency in the money market. The derangement that these financial spasms produce in the business of the country, the loss which they inflict upon individuals, the depression they force on our industrial interests, the frequent checks they give to the development of our productive powers, and the absolute certainty that a better banking system would be a certain safeguard against such disgraceful disturbance of the financial equilibrium—all these motives combine to create dissatisfaction with our banks which may hereafter prove dangerous to the permanency of some at least of their valuable franchises. What changes are needful to correct this tendency to alternate stringency and excessive ease we do not undertake to say. It would, however, be easy to show that a valuable tonic for preventing this succession of excitement and depression, of fever and chill, would be the enforced redemption of all bank notes at New York. This remedy, however, has always been opposed by the combined force of the National banks whenever it has been proposed in Congress.

From what has been said one or two inferences for the practical guidance of legislation are sufficiently evident. First, that much more radical measures of bank reform are necessary than are contemplated in any of the bills before Congress at present. Secondly, that a Congressional committee may with advantage be appointed to inquire into the relations of

the banks with the money market, and especially into the reports of certain banks help to exaggerate the periodical stringency which now and then recurs, in order that they may gain larger profits. These points are of vital interest; they press for immediate solution. Many other measures of banking reform can wait their time, and can indeed be better considered afterwards.

UNIFICATION OF COINAGE.

The following is a copy of a letter addressed to the late Secretary of the Treasury, and by the Secretary submitted to Congress in February last. It has not yet been printed or made public, and we therefore publish it, as it contains suggestions of special interest at this time.

To the Hon. HUGH McCULLOCH,
Secretary of the Treasury.

SIR—Having been appointed by the President, a Commissioner to examine and test the coinage at our mints, and acted with the Commission whose official report was signed this afternoon, I avail myself of this occasion to suggest some changes, which I believe will subserve the interests of the United States.

The Committees of the Commission engaged in weighing and testing the coins of several mints, found some to vary a little in weight from the prescribed standard, and much time was lost in casting the fractions of the pennyweight and grain, and these computations must daily embarrass the officers of the mint.

To facilitate computations in future, I would respectfully recommend the introduction of the French weights already used by our chemists, the substitution of the gramme for the pennyweight, to determine the weights of our coinage.

I would also suggest that the late English Report on International Coinage states, that the average charges of the French and English for coinage is but $\frac{1}{4}$ of one per cent, while our charge in gold is one per cent, which has a tendency to send our bullion abroad uncoined. For this and other reasons to be presented in this letter, would recommend

reduction of our charge to one fourth of one per cent, which would assimilate it to the rates of France and England. While the cost of mining gold and silver varies with the amount coined from year to year, the aggregate result of our coinage of all coins yields a profit averaging more than \$800,000, which is more than twice the annual expenditure, and most of the profit is derived from the inferior metals.

The chief coins now produced at the mints is the twenty-dollar piece

or double eagle, and this coin is so often required that the production of it exceeds in value all other gold coins produced by our mints.

It is easily counted and examined, and is safe and convenient for transportation. This coin, however, is still imperfect. It contains pure gold 30.0926 grammes, and its entire weight is 33.4362 grammes. It thus presents two fractions, both of which are embarrassing, and I respectfully recommend the extinction of both of them and the reduction of the weight of pure gold in the double eagle to 30 grammes, and of the alloy to one-tenth of the gold, which will bring the entire weight of the piece to 33 grammes. This coin may then be easily weighed and tested.

The reduction in value by this change will not exceed three-tenths of one per cent or six cents, and of this amount five will be covered by the reduced charge for coinage, and the remaining cent may be more than covered by a change in the mode of paying for gold at the mint. It is now paid for after the assay and coinage, but I recommend that it be paid for as soon as it can be assayed on the day of delivery, by a check on the sub-treasuries of Philadelphia, or of New York or Boston, at the option of the seller, or in California by a check on the sub-treasury of San Francisco.

This will oblige the owners of the bullion, who are usually impatient, and will save them a part of the risk and cost of transportation, and doubtless increase the coinage.

Should these changes be adopted, I would recommend a discontinuance of the coinage of the dollar, two and half-dollar and three-dollar gold pieces. The first is too small and extra hazardous, and neither of the others is in the line of decimals of the double eagle.

In place of these unnecessary coins I recommend a two dollar piece, the smallest coin we can safely present in gold, and this coin is one-tenth of the double eagle. This coin should correspond in size with that convenient coin, the ten franc piece, now in extensive use abroad. It would also not materially differ in weight from the ducat of Venice and Holland, or from the seguin of Africa and the star pagoda of India.

As respects the silver coinage, gold is our standard, and I would suggest that our silver coinage should be in value from three to four per cent below the gold, or it will be drawn to other countries. Thus France, which has essayed to keep gold and silver at the same point, and to represent five francs both in silver and gold, has lost most of its large silver pieces and been obliged to debase its fractional coinage of silver.

As, however, the silver five franc piece of France is a convenient coin, contains $22\frac{1}{2}$ grammes of pure silver and $2\frac{1}{2}$ grammes of alloy, and weighs precisely 25 grammes. As it is also more than three per cent below the standard of our gold, I suggest the policy of adopting it for our

are dollar, and its sub-divisions for our fractional currency between one and the dollar, which will thus have weights represented in centimes and one or two decimals.

I recommend also, the introduction of a new silver coin equal in value to two dimes, to represent the tenth of the two dollar piece, and the hundredth of the double eagle, which will stand at the head of our coinage. I venture also to suggest a change in the nomenclature of our coins. I do not propose to discard the "almighty dollar," which has rendered our country signal service, and is still used so extensively in the South American Republics, but we cannot well represent it in gold, and some of the names of gold coins in use or proposed are long and inconvenient. It will not be easily understood or translated in foreign lands.

The name of "twenty dollar piece" or "double eagle," is altogether awkward, and as it will be the chief representative of our coin and possible in every country abroad, it is desirable to give it some name that shall be short, appropriate, expressive, and easily understood; a name, too, which has been sanctioned by use in coinage, and I respectfully suggest the word "angel." A name may be found for the double eagle in the "angel."

This is the ancient name of a valuable gold coin of England, that was of great intrinsic value; it would probably, in its day, have bought as many things as twenty dollars would buy to day in most parts of the world.

It is derived from the Greek *angelos* and Latin *angelus*, the messenger, minister of earth as well as heaven, and as, to most persons, the appearance of such coins will be "like angels visits, few and far between," but when they become common, the name seems appropriate. And may we not have the name of our country associated with that of angels, when our messenger goes forth to invite the industrious artisan or laborer to embark for America. The name will be recognized without translation abroad.

In Great Britain and her colonies, as here, it is the—angel.

In Spain—angel.

In Italy—angelo.

In France—ange.

In Germany, Austria and Denmark—engle.

And in Russia, which inherits the Greek Church, if not in use it will be easily acclimated.

I would suggest also that instead of using the term a two dollar piece, that we call it a ducat, the coin of Venice and Holland, when great numbers of the same are used in the great cities and commercial republics. It is derived, not from aristocracy, but from Dux, the leader of ancient Rome, is brief and euphonious.

I would also suggest that the fifty cent and twenty cent pieces be called florins and francs, names generally adopted in Europe, where they would at once be recognized. But names are comparatively immaterial.

I have taken two on the authority of Shakspeare and he tells us, that "a rose by any other name would smell as sweet," and if these are thought too fanciful or not American, we can easily fall back upon the dollar.

Thus have I endeavored to improve the coinage of America, both for our use upon this continent, most of which we shall occupy in the coming century, and with a view to the unification of the coinage of the world on the basis of the angle.

I am indebted to yourself for the suggestion that we must adopt the German in place of the French standard, and to Mr. Eliot of your department, for the fact, that the Union crown of Germany carried ten grammes of pure gold and that it was politic to drop the fraction of pure gold in the double eagle, and that three union crowns would then equal the double eagle.

I was apprized by him also that a trifling change in the new doubloon of Spain might indentify it with our half eagle.

It is obvious then, that if we perfect our angel, it will be worth as much as three Union crowns of Germany and the Baron Girolt suggests that if we adopt the German standard that Germany would probably at once unite with us and coin the angel and the ducat.

Austria still uses the Union crown but under the impresion that the French coinage would pervade the world is about to substitute the franc, but if the United States should adopt the German standard there is little reason to doubt that Austria would act in concert.

How is it with our friend and ally, the great Empire of Russia, which extends from the Baltic to our Northern frontier, and occupies so large a portion of Europe and Asia. She has already adopted the Austrian system, and twenty-five of her roubles carry thirty grammes of pure gold, and will be equivelent to the angel. It cannot, if the United States, Germany and Austria agree, be difficult to induce her to coin her twenty-five roubles into an angle and then convert two and a half roubles into a ducat.

As respects Spain, her new doubloon varies less than one half per cent from our half eagle and we may safely take four of them for an angle, and allow Spain to make a slight reduction by dropping a part of her fraction and come down to a decimal.

Since Senator Morgan defeated the plan of uniting with France, so well sustained by the Hon. J. B. Ruggles, England has declined to adopt the French system.

Her monetary commission has made an able adverse report, and the London *Economist*, a high authority, favors some union with the United States, and proposes to carry the pence in four pounds up to one thousand, and to strike a coin at that point, which would not vary from the angel more than the abrasion under which a coin may pass. England admits that we can

give the casting vote and would doubtless follow our lead, if her millions of people are met by the combined force of 200 millions in the United States, Russia, Germany, Austria and Spain.

As respects France, while I defer to her admirable system of weights and measures, I would adopt them here, reserving only the mile, its halves and quarters, and the acres by which we are dividing this continent. It seems to me we can urge with great effect that she has not perfected her monetary system or applied to it her own improvements, and that neither France, Italy, Greece or Belgium, will stand aloof from other commercial nations.

Chevalier, the great French writer, has abandoned the idea of unification on the basis of the five franc piece of France; he concedes, in a recent letter, that it is out of the pale of the metrical system, and that France, in respect to the metrical system, should abandon her gold pieces.

It may seem assuming for so young a nation as our own to take so prominent a part in this great question, but our population of thirty millions exceeds that of Great Britain and also that of France. We produce more precious metals than either, and our system if improved and proposed will be the most perfect.

They have both copied many of our improvements, and if we take the weights and measures of the Old World, it seems to me, we can offer inducements to it to accept the coins of the New.

Thus have I ventured to sketch improvements and their beneficial results.

First. The adoption of the French weights.

Second. A reduction of the charge at the mint.

Third. The extinction of two fractions on the double eagle.

Fourth. The discontinuance of three unnecessary coins.

Fifth. The introduction of a new gold coin.

Sixth. The introduction of the franc and florin.

Seventh. A new nomenclature.

The measures I propose, must stand on their own merits, not on numbers. Doubtless they may be improved, and I shall welcome improvements. Some, if not all of them, may deserve the attention of Congress.

It has been the singular felicity of your life to take the helm of finance when the nation was overwhelmed with a debt of three thousand millions. Chiefly floating and onerous taxes, at the close of a great contest, and after four years of peace you have paid one fifth of the debt, have reduced to one fourth the interest, have aided in extinguishing half the taxes and paved the way to further reductions and an early return to specie and gold. Behind you a surplus revenue of one hundred millions. At the close of your administration, I know it will afford you further satisfaction to propose some plan that shall improve our own coinage and require no recourse to foreign aid and contribute to unify the coinage of the world.

I have the honor to be, very respectfully,

E. H. DERBY

THE PUBLIC DEBT.

Mr. Boutwell has promptly issued his first statement of the public debt for the month of March. We are glad to see that he has adopted the plan frequently recommended in the *CHRONICLE*, of reporting the accrued interest on each description of bonds. Formerly this important item was omitted, and in consequence the monthly schedule of the debt offered very inexact information on several important topics. Another of Mr. Boutwell's improvements which at once strikes the eye, is the more complete details which are reported about the multifarious descriptions of bonds that make up the debt. The meagre details which have been heretofore furnished by the official monthly statement have long been much complained of. The credit of the government has suffered, and the uprightness of the management of the Treasury has been questioned in numerous instances when during some monetary crisis, government bonds have been secretly put on the market. And these damaging results were all the more obstinate to overcome, because there was no method except the cumbersome plan of Congressional inquiry, for ascertaining whether the securities sold were bonds of 1881, of 1862, of 1864, or of some later date. Now, however, the greatest exactitude on all such questions can be arrived at without trouble, and with no more delay than the interval elapsing between two monthly official reports. It is fair to suppose that this change will give greater firmness to the quotations for government bonds; for it will remove from the market some of the chief causes of disturbance and depression. In the ranks of the speculators and cliques of capitalists who have so often enriched themselves by tampering with the government credit, Mr. Boutwell's new schedule may be regretted. But with the public generally, and among the multitudes of investors who hold five-twenties and other government bonds, it meets with hearty approval. It is indeed but natural that increased publicity should please the public.

From tables which appear elsewhere, our readers will see that no very considerable changes have taken place during the month of March. Had not the Pacific railroads received bonds to the amount of \$2,915,320, the net reduction in the aggregate since February 28th would have been five and one half millions. The exact decrease is \$2,573,039. It is, however, to be noted that this statement appears one week earlier than usual, and therefore contains the receipts of three weeks instead of four, this month however, this irregularity will disappear. Still the reduction of the debt in March is less by four millions than it otherwise would have been.

The total debt, deducting the cash in the Treasury is now \$2,525,196,421. The Treasury balance amounts to 111 millions, of which no more than

\$6,802,628 is in currency. This sum is a very small working balance for Mr. Boutwell to conduct his immense Treasury business. It is easy to see, however, why it has been allowed to run down. The money market some time past has been extremely unsettled, and during the past year a spasm of great severity has prevailed. Under these circumstances it was necessary that Mr. Boutwell should give ease by letting his currency balance run low. Indeed, there is in Wall street a general belief that for Mr. Boutwell's timely precaution the monetary stringency must have been far worse.

The aggregate of our national securities now outstanding amounts to \$2,596,898,538. This prodigious sum represents the principal of our public debt, and under the provisions of the public credit bill the amount is to be paid eventually in gold. An examination of our tables will show that three-fourths of the whole debt bears interest at six per cent. The remainder, with the exception of 221 millions of five per cent gold bonds and 68 millions of currency bonds, consists of matured debt, greenbacks, and other paper-money, bearing no interest at all.

The amount of accrued interest on the 31st March was \$39,300,000. Adding to this sum the principal of the debt, we have as the amount of our total obligations for principal and interest \$2,636,202,455. As the cash in the Treasury amounts to \$111,005,993, the net aggregate of our obligations, of course, be reduced by that sum, and will amount, as we said above, to about 2,525 millions dollars, or about two and one half millions less than the report of the preceding month. On the whole the statement before us may be pronounced as in form and substance very satisfactory.

NEW YORK AND HARLEM RAILROAD.

The New York and Harlem Railroad, as our readers are aware, extends from New York City to Chatham Four Corners 130.75 miles, and thence the cars pass over the Boston and Albany Railroad to Albany 24 miles further, making the whole distance from New York to Albany 154½ miles. That portion of the line between Dover Plains and Chatham, 50½ miles, was paid for by what are termed "extension certificates," most of which are now held by the New York and Harlem Company. A branch line runs from Port Morris, on Long Island Sound, 2.12 miles in length, joining the main line about 9 miles north of New York City. The amount of second track and sidings on the line is 45½ miles. Gauge 4 feet 8½ inches. Rail used 56 to 64 lbs. to the yard. Some considerable quantity of iron rail have been laid. On October 1, 1868, the company had in use on their road 41 locomotives, 61 passenger cars, 40 baggage, mail and express cars.

cars, and 723 freight cars. The city line cars, 93 in number, which run between the City Hall and the Passenger Depot, 26th street, are drawn by horses. The following shows the amount of rolling stock in use October 1, 1863-1868, inclusive :

	1863.	1864.	1865.	1866.	1867.	1868.
Locomotives.....	82	85	43	43	41	41
Cars: { Passenger	84	40	60	59	71	81
{ Baggage, mail & express.....	11	17	23	23	37	40
{ Freight	481	561	537	622	596	723
City-line cars	45	69	69	78	78	93

The results of operations for the year ending September 30, 1868, were as follows : The distance run by locomotives hauling cars was (passenger 383,907, freight 340,468, and other 21,845,) 746,220 miles. The trains of the New York and New Haven Company, which are tolled over that part of the line between Williamsbridge and New York City, run 210,583 miles. The city line (horse) cars run 885,141 miles. The number of passengers carried was, (regular 1,275,704, and commuting 391,814) 1,667,578, and the numbers of passengers carried one mile was, (regular 24,781,777 and commuting 4,850,250) 29,632,027. The city line carried 7,090,197 passengers. The amount of freight transported was 287,552 tons, or 15,852,537 tons one mile. The gross earnings from all sources, including \$261,330 from the New Haven Company, amounted to \$2,756,232, and the working expenses including taxes were \$1,772,687, leaving for net earnings \$983,545. This was paid out thus: interest \$375,467, United States tax on earnings \$27,655, and dividend \$580,423. Eight per cent dividends have been paid for the last three years. The following is a recapitulation of the operations of the company for five years :

	1863-64.	1864-65.	1865-66.	1866-67.	1867-68.
Miles run by trains.	Passenger	360,592	368,879	335,683	393,578
	Freight.....	345,502	419,069	455,421	394,212
	Service	83,219	83,897	18,584	26,589
	Total.....	789,253	821,865	839,483	814,709
Miles by N. Y. & N. H. trains	184,957	196,011	204,407	212,197	210,581
City Line cars	783,916	801,612	960,641	913,146	885,143
Pass'gers. carried.	Regular	994,298	1,085,916	1,113,982	1,207,486
	Commuting.....	183,491	207,629	293,550	873,845
	Total.....	1,177,789	1,293,545	1,407,532	1,580,831
City Line passengers.....	5,795,288	7,193,476	7,891,683	7,049,823	7,090,197
Pass'gers carried one mile.	Regular	17,127,969	33,901,143	25,739,004	24,646,963
	Commuting.....	3,814,762	4,192,210	4,845,806	4,783,750
	Total	20,942,631	38,093,353	30,584,810	29,430,713
Miles by C'y Line pas'rs.....	8,692,857	10,790,214	11,037,524	10,574,784	10,635,295
Tons of freight moved.....	236,467	239,603	298,505	264,428	287,552
Tons carried one mile.....	15,671,828	17,153,978	22,107,083	16,154,304	15,852,537
Gross Earnings.	Passenger	\$735,161	\$1,038,315	\$1,130,875	\$1,096,842
	Freight.....	864,558	1,093,663	1,300,183	1,167,621
	Other.....	20,709	352,742	352,641	434,153
	Total	\$1,860,428	\$2,509,725	\$2,783,699	\$2,698,121
Operating expenses.....	1,409,820	1,874,677	1,604,330	1,521,686	1,772,687
Net earnings (profits).....	\$450,608	\$635,048	\$1,119,369	\$1,166,435	\$983,545

In the following table we give certain deductions in relation to earnings and expenses for the same five years :

Per mile	{	Earnings.....	14,002	18,888	20,950	20,281	20,744
of road ..		Expenses.....	10,610	14,109	12,526	11,452	12,342
		Profits	3,392	4,779	8,424	8,779	7,402
Expenses to cars—p. c			75 77	74.69	59.79	56.61	64.33

We have never seen a balance sheet of the Harlem Company's affairs, and assume that none was ever published. The following has been compiled from the yearly statements made to the State Engineer and Surveyor, and shows the financial condition of the company at the close of the fiscal years 1863-64 and 1867-68 inclusive :

	1864.	1865.	1866.	1867.	1868.
Common stock.....	\$ 5,035,050	\$ 5,035,050	\$ 5,235,050	\$ 5,235,050	\$ 5,500,000
Preferred stock.....	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Funded debt.....	6,115,000	6,098,045	6,152,865	5,993,625	5,096,425
Extens on certificates.....	62,500	59,500	27,500	18,500	18,500
Real estate mortgage.....	93,137	97,074	67,074	37,000	15,000
Total.....	12,861,487	12,839,669	12,031,939	12,834,175	12,130,525

Per contra : Road and property as follows :

Road and branch (82.37 m.).....	7,510,739	7,708,611	7,946,064	8,491,685	8,537,597
Extension (50.50 m.).....	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Equipment.....	1,105,299	1,469,957	1,492,431	1,563,697	1,702,855
Real estate.....	1,120,823	1,144,181	1,153,959	1,109,865	1,57,595
Cost of property.	11,736,860	12,322,749	12,592,454	13,164,747	13,008,050

It will be perceived that the affairs of the company have materially improved during the last five years, the value of the property being now largely in excess of stock and bonds, whereas, in 1864 their relation was the reverse.

In the following exhibit we give a detailed description of the bonds of the company outstanding at the close of the last fiscal year :

Classes of Securities.	Rate.	Interest Periods.	Date of Maturity.	Amount outstanding.
1st mortgage of 1853.....	7	May & Nov.	May 1, 1873.	\$2,000,000
4th mortgage of 1861.....	7	June & Dec.	June 15, 1871.	90,500
Consolidated mortgage of 1862.....	6	Feb. & Aug.	Feb. 1, 1893.	1,787,000
Sinking fund of 1861.....	7	Jan. & July.	Jan. 1, 1881.	112,700
Unsecured bonds of 1853.....	7	Jan. & July.	July 1, 1872.	100,000
Past-due bonds.....	7	.....	.....	1,125
Total.....				\$5,036,325

The Albany extension certificates bear 7 per cent interest, payable semi-annually, January 1 and July 1, and mature January 1, 1873. Of the original \$2,000,000 of this issue only \$16,500 now remain on the market.

Not many years ago Harlem stock was utterly without value. In January, 1860, it sold at $8\frac{1}{2}@9\frac{1}{2}$; 1861, at $15@16\frac{1}{2}$; 1862, at $12\frac{1}{2}@13\frac{1}{2}$, and 1863 at $27\frac{1}{2}@49$. In August, 1863, it ranged from 125 to 179; and in June, 1864, from 260 to 285. The cause of this rise in price was that extensive sales had been made, while scarcely a share could be bought for delivery. The whole stock was held by the few men who have since administered the affairs of the company with such consummate

skill that their stocks are now classed among the best in the country for investment. We give below a table showing the course of prices for the last six years :

Months.	1863.	1864.	1865.	1866.	1867.	1868.
January.....	27½ @ 49	86½ @ 105	.. @ ..	.. @ ..	.. @ ..	112 @ 181
February.....	32 @ 37½	102 @ 137½	.. @ ..	.. @ ..	.. @ ..	129 @ 181½
March.....	25 @ 47	101 @ 152	.. @ @ @ @ ..
April.....	42½ @ 76½	130 @ 235	.. @ @ @ @ ..
May.....	79 @ 116½	224 @ 281	.. @ ..	.. @ ..	9 @ 95	.. @ ..
June.....	97½ @ 109½	260 @ 255	.. @ ..	.. @ ..	100 @ 100	122 @ 127
July.....	92 @ 125	.. @ ..	.. @ ..	.. @ ..	.. @ ..	123 124
August.....	125 @ 179	.. @ @ @ @ @ ..
September..	115 @ 64½	.. @ ..	.. @ ..	.. @ ..	112 @ 115	121 @ 124
October.....	80 @ 145	.. @ ..	75 @ 77	.. @ @ @ ..
November.....	83 @ 110	.. @ ..	.. @ ..	97 @ 97	.. @ @ ..
December.....	87½ @ 93	.. @ ..	.. @ ..	.. @ ..	118 @ 118½	120 @ 128
Year.....	27½ @ 179	86½ @ 235	75 @ 77	97 @ 97	95 @ 118½	112 @ 181½

ILLINOIS CENTRAL, PITTSBURG, FORT WAYNE & CHICAGO, AND CLEVELAND
& PITTSBURG RAILROAD REPORTS.

The annual reports of these important companies have recently been made for the year ending December 31, 1868, and we shall present to our readers very soon articles at length upon each of them, comparing the operations of the year 1868 with those of several previous years. For the immediate information of parties interested, however, we give below a summary of the operations of each road for the year 1868 :

ILLINOIS CENTRAL RAILROAD.

The President, in his report, gives the following summary of operations for the year 1868 :

“The gross earnings of this railway for the year 1868 amount to \$7,817,629 24, the operation expenses to \$4,590,681 91, State taxes to \$441,597 57, and rent of leased line in Iowa to \$370,365 18, leaving net \$2,414,984 58, against \$2 480,567 72 in 1867. The per centage of expenses to earnings, including State taxes, is 64 37-100, against 65 6-10 in 1867.

“These figures include earnings over leased lines in Iowa, which amount to \$1,019,698 72; operation expenses, \$515,895 60; State taxes, \$13,200 09, and rent \$370,365 18, leaving a net profit of \$127,076 79, after making liberal expenditures in improvements.

“The tonnage hauled in 1868 was 1,439,675 tons, against 1,300,835 tons in 1867; the average distance each ton was hauled being 203 miles in 1868 against 131 miles in 1867.

During the past year the amount paid for dividends, including govern-ment tax, was \$2,461,568 42, being at the rate of 10 per cent on the capital stock; in addition to which stock was distributed to the stock

holders in August last, at the rate of eight per cent on the share capital, in accordance with a resolution passed at the last annual meeting of shareholders. The amount paid for interest on funded debt and sterling exchange was \$755,716 92; and after paying State taxes, rent of leased line and all other claims upon the operations of the year, we had a balance on the first day of January, of net cash assets, amounting to \$2,012,927 83, out of which a cash dividend of five per cent was paid during the present month. The stock of working supplies, inventoried at cost, amounts to \$844,139 29. The funded debt was reduced \$1,167,000, and amounted, on the 1st January, to \$9,377,500.

"In the land department the collections amounted to \$3,200,289 21, on account of old and new sales, of which \$2,070,431 31 is applicable to the cancellation of construction bonds, \$558,140 61 to Free Land fund, and \$407,925 56 to Interest fund. The expenses for the year were \$143,709 39. There were surrendered to the trustees during the year \$1,832,500 of construction bonds, at a cost of \$2,070,725 against the collections on that account. The amount of bonds now in their hands, in advance of deeds issued, is \$4,423,819 of which \$3,173,000 is in advance of collections. The sales were 207,008 37-100 acres to 2,776 purchasers, for \$2,228,325 90, averaging \$10 76 per acre. The total number of deeds issued up to the close of the year covered 1,124,446 86-100 acres of the original grant. The amount owing to the company for lands is \$6,128,087 59. On most of the obligations for lands one or more payments have been made. This facilitates future collections, and I expect the receipts of the department during the present will be equal to those of the preceding year. There still remain unsold 526,690 46-100 acres of land, to which may be added about 96,504 acres (old sales) subject to cancellation. Of the lands sold during the past year 115,496 were located on the Chicago Branch, between Champaign and Kankakee.

"The net receipts from railway and land department during 1868 amounted to \$5,451,775 75.

GENERAL STATEMENT CONDENSED FROM VARIOUS ACCOUNTS.

January 1, 1868:		Dr.
To balance of net cash assets as shown in last annual report.....		\$1,715,606 02
To gross earnings in 1868, in Illinois.....	\$6,797 930 52	
To gross earnings in 1868, in Iowa.....	1,019,698 72	
	<hr/>	7,817,629 24
To net receipts of Land Department.....		2,035,721 00
To amount of 6 per cent Sterling Redemption bonds, issued in exchange for 6 per cent Construction bonds.....		2,061,500 00
To increase of capital stock.....		1,881,100 00
		<hr/>
		\$15,572,628 24
January 1, 1869:		Cr.
To balance brought down, consisting of net cash assets in New York and Chicago, and exclusive of the working stock of supplies		\$2,012,927 83
December 31, 1868:		
By permanent expenditures.....		\$572,014 70
By operation expenses.....		4,690,681 91
By tax paid the State of Illinois, being 7 per cent on the gross earnings for the year ending October 31, 1868.....		433,397 48

By tax paid the State Iowa on the gross earnings of leased line, to December 31, 1868.....	13,200 09
By rent of leased line in Iowa for the year ending December 31, 1868.....	870,865 18
By interest on funded debt	755,716 92
By dividends paid in 1868, being 10 per cent on the capital stock, and including United States tax	2,461,568 42
By stock distribution in August, 1868	1,871,100 00
By increase in working stock of supplies.....	28,104 20
By amount of bonds purchased and called in 1868.....	1,167,000 00
(Total reduction in funded debt in 1868.)	
By amount of Construction 6 per cents received in exchange for new Sterling Redemption bonds	2,061,500 00
By premium and commissions paid on bonds called, purchased and exchanged..	240,051 70
By balance carried down	2,012,927 83
	<hr/>
	\$16,572,628 43

GENERAL BALANCE SHEET.

Permanent expenditures		<i>Dr.</i>
Interest and dividend account.	\$12,553,937 80	\$31,900,427 81
Less avails of Interest Fund.....	8,881,050 75	
	<hr/>	9,174,887 05
Net cash assets New York	1,624,298 23	
Net cash assets, Chicago.....	3,862,29 60	
	<hr/>	2,012,927 83
Premium paid on bonds delivered Land department in anticipation.		176,438 52
Working stock of supplies.....		844,189 29
		<hr/>
		\$44,108,880 00
Capital stock.....		<i>Cr.</i>
Cancelled bonds scrip.....		\$25,277,270 05
Funded Debt—		19,510 00
Construction bonds due April 1, 1875, 7 per cent.....	\$3,955,000 00	
“ “ “ “ “ “ 6 per cent.....	487,500 00	
Redemption bonds, due April 1, 1890.....	2,567,500 00	
Sterling Redemption bonds, due April 1, 1875.. .	2,424,500 00	
	<hr/>	9,377,500 00
Bonds delivered Land department.....	12,607,500 00	
Less in hands of trustees.....	8,173,000 00	
	<hr/>	9,434,500 00
		<hr/>
		\$44,108,880 00

PITTSBURG, FORT WAYNE AND CHICAGO.

The report of this company shows the following earnings of the main line :

From local freights.....	\$2,021,567 93	Miscellaneous sources.....	\$11,430 35
Foreign fr ights.....	2,210,289 80		
Local passengers.....	1,868,891 76	Total.....	\$8,041,180 70
Foreign passengers... ..	1,183,673 70	Gross earnings of main line in	
Express matter.....	119,973 00	1867.....	7,242,125 96
Mail service.... .	93,900 00		
Rent of railway.....	85,000 00	Increase 11½ per cent.....	\$799,054 74
Rent of other property.....	6,754 16		

The gross earnings per mile of road in 1868 were \$17,171, being an increase of \$1,706 29 per mile.

EXPENSES OF THE MAIN LINE.

For conducting transportation... ..	\$1,341,459 66	General expenses.....	397,161 41
Motive power	1,409,545 77		
Maintenance of way... ..	1,257,735 45	Total.....	\$5,002,110 60
Motive power.....	\$526,203 81		

These expenses show an absorption of 62 1-5 per cent of the earnings which is 5 per cent less than in 1867.

The net earnings of the main line in 1868 were.....	\$3,089,070 10
“ “ “ “ “ “ 1867 “	2,378,553 89
	<hr/>
Increase (23 3-5 per cent).....	\$760,516 21

SUMMARY OF NET RESULTS.

A summary of the net result of the company's business for the year is as follows :

Net earnings of main line.....	\$2,039,070 10
Profit in operating New Castle Branch ..	60,789 75
" " the Lawrence Branch.....	2,101 12
Total net revenue	\$2,102,960 97
From which deduct interest on mortgage debt.....	816,201 17
Sinking fund installments.	\$104,100 00
Interest of bonds purchased by trustees of sinking funds..	18,593 48—
Due Cleveland and Pittsburg Railroad Company under the contract for division of earnings.....	210,308 50
	\$1,149,203 14
Balance equal to 16 5-8 per cent on the capital stock... ..	1,935,165 35

DIVIDENDS.

From which has been paid four quarterly dividends at the rate of 10 per cent per annum.....	\$1,149,735 00
U. S. tax on the same	60,511 85
Total.....	\$1,210,236 85
Leaving surplus for year....	\$743,520 99

To which add :

Increase of miscellaneous liabilities ..	\$57,743 19
Increase of amounts due for current expenditures.....	103,470 23
Reduction of supplies on hand.....	22,102 86—
	183,316 28
To be accounted for... ..	926,837 27

APPROPRIATIONS.

Appropriated as follows :

New construction and equipment.....	\$519,726 51
Extension of Akron branch.....	50,685 31
Increase of net amount due by other companies.....	21,541 15
Increase of sinking fund... ..	119,899 76
Increase of miscellaneous assets.....	149,431 29
Increase of cash on hand.. ..	65,603 25—
	926,837 27

CLEVELAND AND PITTSBURG RAILROAD.

The report shows the following receipts in gross :

From Passengers.....	\$609,362 12
" Freight.....	1,610,231 16
" Miscellaneous sources.....	82,667 52
" P. F. W. & C. Railway—due this Co. in settlement of joint earnings.....	189,852 80
Total	\$2,492,113 60

From which deduct expenses :

For account Motive Power and Cars ..	\$543,196 06
" Maintenance of Way and Structures.....	403,113 13
" Transportation Expenses.....	338,025 47
" General Expenses	181,090 88
Total	\$1,470,425 54

And the net Receipts are	\$1,022,288 06
--------------------------------	----------------

From these have been paid :

Mortgage Interest, &c.....	\$314,884 65
Lease of Track P. F. W. and C. Railway ..	83,000 00
Sinking Fund—Mortgage Bonds of 1900.....	28,000 00
Total	\$425,884 65

Leaving as the proceeds of the year's business.. ..	\$597,903 41
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Comparing these figures with those for the previous year—The gross receipts show an increase of \$194,891 92, while the expenses notwithstanding the large increase of tonnage, show a decrease of \$18,382 29, and the net income after payment of interest, lease and sinking fund, exceeds that of last year in the sum of \$136,519 55.

DEBT AND FINANCES OF THE STATE OF NEW YORK, NO. 2.

In our MAGAZINE of March we showed from the official record that the debt of New York, exclusive of the contingent debt of \$68,000, amounted in gross to \$44,900,786.40, and that it was subdivided into three classes, viz.: the General Fund Debt, \$4,707,826.40; the Canal Debt, \$14,249,960; and the Bounty Debt, \$25,943,000. The two debts first in order are provided for and will be paid principal and interest as they mature from the surplus revenues of the State Canals. The third class of debt is payable in 1877, and for its extinction a sinking fund has been created on the basis of a tax sufficient to accomplish that end. This tax is now three mills on the dollar of the taxable value of real estate and personal property. It is evident from these facts that in less than ten years the whole present debt of the State will be redeemed and that the canal revenues, unless charged with some new debt, will remain as a permanent source of relief to the general treasury, while, admitting of a reduction in the tolls to the benefit of ourselves and of the West.

At the present time the population of the State may be estimated at fully 4,000,000. The valuation of 1868, on which the taxes for 1868-69 are assessed, is \$1,766,089,140, and the total taxation on this basis for that year will be \$44,298,435.90, of which \$2,207,611.42 ($1\frac{1}{4}$ mill) is for school purposes and \$8,035,705.52 (4.55 mills) was for State and debt purposes. The local taxes included in the aggregate amount to \$8,525,422.14 for towns and \$25,529,696.45 for counties. The total amounts to 2.51 cents on the dollar valuation, but varies largely in the several counties, being as low as 0.95 in Wyoming County on a valuation of \$9,001,950, and as high as 5.67 in Hamilton County on a valuation of \$468,381. In the following table we give the population, valuation, and taxation at quinquennial periods from 1845:

	Popu- lation of State.	Valuation of prop- erty.	State taxes.	Local and school taxes.	Total taxes.	Rate per 1,000
1845.....	2,604,495	\$605,646,095	\$360,310	\$3,809,218	\$4,170,528	0.688
1849.....	3,097,394	727,494,583	864,044	5,948,783	6,812,767	0.867
1853.....	3,466,212	1,402,849,304	1,711,718	9,924,454	11,676,172	0.838
1857.....	3,860,788	1,419,297,529	4,376,167	14,579,857	18,956,024	1.335
1861.....	3,800,000	1,550,679,685	6,077,817	39,893,624	45,961,441	2.968
1868.....	4,000,000	1,766,089,140	8,035,706	36,262,730	44,298,436	2.509

It thus appears that taxation has outstripped largely the valuation on which it is based, the valuation having between 1845 and 1868 increased \$1,160,443,045, or 191.6 per cent, while in the same period the increase in taxes has been \$40,127,908, or 962.2 per cent, and the increase in rate 182 mills on the dollar, or 264.5 per cent. Between the same years the ratio of valuation to population has increased 89.9 per cent, and of tax-

ation to population has increased 587.9 per cent. This increase in taxation, however, is more apparent than real, for it is well known that the real valuation is far ahead of the assessed valuation. The federal census of 1850 stated the real value of property at \$1,080,309,216, and in 1860 at \$1,843,338,517, showing an increase in ten years of \$763,029,301 or 70.63 per cent. Applying the same average rate of increase to the eight years since 1860, we find that in June, 1868, the real value in New York would be \$2,885,698,512, or larger by 63.5 per cent than the assessed valuation. Such an increase, or even one-half that increase, in the assessed valuation, would very materially effect the apparent rate of taxation, as given in the table above. The rates of taxation levied on the valuation of property in the State for the year 1867-'68, with the rates estimated for the two years next following, are as given below :

	1867-68		1868-69		1869-70	
	Miles	Amount	Miles	Amount	Miles	Amount
	on dol-	of pro-	on dol-	of pro-	on do -	of pro-
	lar.	ceeds.	lar.	ceeds.	lar	ceeds.
General fund.....	2.46	\$4,094,665	1.25	\$2,207,611	1.25	\$2,207,611
Schools.....	1.25	2,080,135	1.25	2,207,611	1.25	2,207,611
Canal deficiency.....	0.62½	1,010,067	1.05½	1,867,715	0.12½	201,761
R. debt sinking fund	3.00	4,992,323	2.16½	3,866,527	2.25	3,963,701
Railroads	0.26½	440,028	0.03	185,853	...	...
Total	7.60	\$12,647,218	5.80	\$10,248,317	4.87½	\$8,666,684

These exhibits, and such as we presented in our former issue on this subject, indicate the healthy position of our State finances. It is true that our taxes are at present heavy, but it is gratifying to know that our means are large, and our burdens being constantly decreased.

HUDSON RIVER RAILROAD.

This great road runs parallel with the Hudson river from New York city to East Albany (144 miles), and is continued to Troy (six miles further north) over the Troy and Greenbush Railroad. The whole line is double tracked, and has also 26.64 miles of sideings and turnouts. The rails on the main line weigh—iron 70 lbs., and steel 53 lbs. to the yard. The grades and alignments of the line are much more favorable than those of the Harlem Railroad, and hence its traffic is more profitable. At the close of the fiscal year 1868 (September 30) rolling stock in use consisted of 82 locomotives and 7 dummy engines, 141 first class and 18 second class passenger cars, 36 baggage, mail and express cars, and 1,057 freight cars. The following shows the number of locomotives and cars of each description from 1863 to 1868, inclusive :

	1863.	1864.	1865.	1866.	1867.	1868.
Locomotive expenses	68	71	79	80	83	82
Passenger (first class) cars	107	123	124	123	124	141
Passenger (second class) cars.....	11	11	18	18	18	18
Baggage, mail, &c.....	27	31	36	28	32	36
Freight cars.....	675	671	711	799	965	1,057
Dummy engines	—	3	3	3	5	7

This exhibit does not include the city line cars which carry passengers to and from the upper depot. The business of the line was larger in 1867-68 than in any previous year, and the road and machinery were in the best condition. The results are given in the following table, in connection with the statistics of the four preceding years:

	1863-64.	1-64-65.	1865-66.	1866-67.	1867-68.
Miles run by pass. tr'ns.....	628,835	698,266	685,547	744,984	905,628
" " freight ".....	663,863	588,315	639,353	707,176	982,445
" " gravel ".....	168,596	59,538	60,799	96,186	82,107
Total train miles.....	1,396,294	1,346,079	1,385,801	1,548,326	1,970,180
Passengers carried.....	2,017,843	2,068,245	2,159,267	2,366,713	2,626,303
Miles of travel.....	98,853,821	85,778,513	92,798,027	91,129,722	15,753,332
Tons of freight carried.....	601,824	491,755	497,307	581,437	716,263
Miles of transportation.....	72,720,351	53,734,444	57,545,439	73,387,023	88,866,929
Miles run by city cars.....		256,300	334,788	252,154	151,613
City passengers carried.....		1,137,558	1,071,054	946,910	49,625
Passenger earnings.....	\$1,921,964	\$2,099,952	\$2,188,045	\$2,058,801	\$2,604,475
Freight ".....	2,142,801	2,224,030	2,345,612	2,841,258	3,139,136
Other ".....	68,235	128,398	560,969	400,011	534,614
Total gross earnings.....	\$4,132,600	\$4,452,380	\$4,845,526	\$5,267,100	\$5,677,215
Operating expenses, etc.....	2,544,132	3,138,819	3,190,533	3,218,567	3,933,319
Net earnings.....	\$1,588,468	\$1,313,561	\$1,754,983	\$2,053,533	\$1,780,896

The earnings, expenses and profits per mile of road in the same years were as follows:

	1863-4.	1864-65.	1865-66.	1-66-67.	1867-68.
Earnings per mile of road.....	\$27,550 66	\$29,82 58	\$27,303 51	\$31,114 00	\$27,161 43
Expenses ".....	17,237 56	20,925 46	20,688 59	21,423 74	25,388 79
Profits ".....	10,313 10	8,757 07	11,699 92	18,690 22	11,772 64
Expenses to earnings, p. c.....	62.58	70.49	68.78	61.01	68.03

Notwithstanding large amounts have been paid from net earnings for improvements and new machinery, and also for interest, the business of the past five years has given at least 8 per cent on the outstanding capital stock. In 1863-64 a 6 per cent scrip dividend was also paid, and in 1865-66 the dividend was 9 per cent. In the meanwhile the capital stock on which dividends have been paid has more than triplicated, its amount having been October 1, 1863, \$4,422,923, and September 30, 1868 \$13,932,700. No general balance sheet is published. The following statement of capital stock, bonds and floating debt, and of the cost of railroad, equipment &c., is an abstract of the annual returns to the State Engineer and Surveyor, and refer to October 1, 1864-1868, inclusive:

	1864.	1865.	1866.	1867.	1868.
Capital paid in.....	\$6,918,042	\$6,563,250	\$6,962,971	\$9,981,500	\$13,932,700
Funded debt.....	7,737,659	7,762,740	7,227,460	6,394,550	6,074,960
Floating debt.....	1,167	1,167	1,167	1,167	1,167
Total.....	13,956,869	14,327,157	14,191,598	16,377,217	20,008,827

Per contra—Charges on the following accounts:

	1864.	1865.	1866.	1867.	1868.
Railroad.....	\$10,771,017	\$10,970,884	\$11,093,338	\$12,841,714	\$14,769,370
Equipment.....	1,616,414	1,969,344	2,125,600	2,340,404	2,516,607
Engineering, etc.....	708,902	708,902	708,902	708,914	710,014
Discount, etc.....	1,570,514	1,570,145	1,570,514	1,570,514	1,770,514
Horses, harness, etc.....		44,51	43,47	43,471	19,184
Total.....	14,666,847	15,264,586	15,543,23	17,505,137	19,185,989
Cost of road per mile.....	101,873 94	106,004 07	107,943 23	121,562 75	133,236 08

Under the head of "Discounts, etc.," are comprized the loss in negotiating bonds and loans, commissions paid, interest to stockholders, etc., prior to 1855.

The funded debt outstanding September 30, 1868, was made up of the following classes of bonds:

Classes of Bonds.	Interest		Date of Maturity.	Amount Outstanding.
	Rate.	Periods.		
1st mortgage.....	7	Feb. & Aug.	Feb. 1, 1869.	\$1,940,000
1st ".....	7	" "	Feb. 1, 1870.	1,998,000
1st ".....	6	" "	Aug. 1, 1849.	110,000
2d " sinking fund.....	7	June & Dec.	June 16, 1855.	260,000
3d ".....	7	May & Nov.	May 1, 1875.	1,000,000
Convertible.....	7	" "	May 1, 1867.	8,000

In the following table we give the monthly fluctuations of the shares of the Hudson River Company at New York through the last five years:

	1864.	1865.	1866.	1867.	1868.
January.....	122½ @ 148	1	92½ @ 109	120 @ 134	132½ @ 147
February.....	129 @ 162	1½	100 @ 101½	118 @ 117½	140 @ 149
March.....	148½ @ 161½	2	102½ @ 109½	126 @ 140	120 @ 145
April.....	120 @ 164	2	115½ @ 111	90 @ 135	132½ @ 140
May.....	122 @ 166	1	108 @ 114	9½ @ 103½	131 @ 144
June.....	128 @ 147	5	110 @ 113½	102½ @ 110	138 @ 143½
July.....	120 @ 137½	11	112½ @ 120	109½ @ 122	130 @ 139½
August.....	126 @ 135	10	115½ @ 111½	110½ @ 125½	113 @ 140
September.....	107 @ 127½	10	119 @ 12	123 @ 146	130 @ 142
October.....	109 @ 126	10	120 @ 128½	125 @ 153	134½ @ 139
November.....	118 @ 127½	11	118 @ 116½	123½ @ 116½	131 @ 134
December.....	144 @ 118½	11	118 @ 117	124½ @ 118½	124½ @ 135½
Year.....	107 @ 164	88 @ 117½	9½ @ 127	90 @ 140	110 @ 149

Under a resolution of a called meeting of the stockholders, held November 30, 1868, the capital stock was increased by \$2,100,000, distributed at par, pro rata, and payable on or before January 20, 1869. This issue is made for the purpose of taking up certain bonds maturing in 1869-70.

CHICAGO AND ALTON RAILROAD.

The annual report of this company for the year ending December 31, 1868, has just been issued. As already indicated in the returns published each month, the road shows a decided increase in its earnings over those of 1867. The gross receipts, not including the Jacksonville Division, exceed those of the previous year about 7½ per cent—the two years compare as follows, the Jacksonville Division being included for the last seven months of 1868.

	1867.	1868.	Inc.	Dec.
Passenger traffic.....	\$1,508,760	\$1,500,870	\$90,810	\$..
Freight traffic.....	2,430,008	2,453,629	23,621	....
U. . mail, express, &c	254,098	249,443	.....	4,650
Total gross earnings.....	\$2,892,866	\$2,503,942	\$388,924	....
Total expenses.....	2,149,128	2,463,199	814,071	....
Earnings less expenses.....	\$1,743,738	\$2,045,460	\$301,722	....

At the date of the last annual report, the St. Louis, Jacksonville and Chicago Railroad was operated under a contract made with this company, dated January 25, 1864, by which that road was entitled to a pro rata proportion of earnings on joint business, and a bonus of 10 per cent upon that portion of such business as belonged to this company.

It was deemed important that the possession of this line of road should be vested in the Chicago and Alton Company, beyond question, and permission having been asked to lease the same in perpetuity, and the same having been granted by the nearly unanimous vote of the stockholders, the St. Louis, Jacksonville and Chicago Railroad, on the first day of June last past, practically became the property of this company and is now operated as a division of the road, under the immediate control of its officers.

The earnings of that road have, since that date, been included in the gross earnings of this road, as published. The Treasurer in his report gives the following statement:

The gross joint earnings on business to and from stations on that road, for the seven months from June 1st to December 31st, were	\$637,481 16
Of this sum there was earned upon the C & A. R. R.	837, 70 53
Leaving the proportion earned on the St. L., J. & C. R. R.	\$319,701 68
Assume the expenses at 60 per cent.	\$191,820 97
Seven months rental.	140,000 00
Which shows a probable loss of	\$12,119 34
But, under the contract which governed prior to 1st June last, we should have paid the St. L., J. & C. R. R. a drawback of 10 per cent upon this company's proportion of the above joint earnings, equal to	\$33,777 96
From this deduct the probable loss.	12,119 34
And it shows that this company is better off under the lease than under the old contract.	\$21,658 61

The report states that including the earnings of the Jacksonville division for seven months, the aggregate amount exceeds the earnings of the previous year \$615,781 49. The gross earnings of the main line amounted to \$4,188,941 34, about 7½ per cent in excess of 1867.

The operating expenses amounted to 54 6-10 per cent of the gross earnings, as against 55 2-10 per cent for the preceding year.

The number of passengers transported during the year amounted to 608,874, an increase over the number carried in 1867, of 77,657, or 14 3-5 per cent. Of this number, 574,253 were way, and 34,621 through; 299,562 were moved north, 309,312 were moved south. Increase number of way passengers, 16 1-10 per cent. Of the whole number carried, 94 3-10 per cent were local, and 5 7-10 per cent were through. Average fare paid by each way passenger. \$1 67 8-10.

Not a single passenger was killed or injured during the year, on account of any defect in the track or equipment, or through the negligence of the employees.

The increased tonnage of the road exceeds that of 1867 about 22 per cent. 91 4-10 of the tonnage was way; 8 6-10 of the tonnage was through.

There have been constructed eight miles of additional track, between Wilmington and Braceville, and eight miles between Dwight and Odell, making sixteen miles of double track now in operation. During 1869 the distance between Braceville and Dwight will also be constructed in same manner, thus giving the road the use of about thirty miles of continuous double track.

The coal traffic continues to increase in magnitude and importance, and every encouragement is being extended to aid in the development of a business which will contribute largely to the income in the future. In order to show the increase in this branch of an almost entirely new business on the road, it will be of interest to note, that during the year 1865, 6,000 tons were transported; 1866, 71,090 tons; 1867, 146,050 tons; 1868, 166,986 tons.

According to the statistics of the Board of Trade, 51 per cent of the whole amount of bituminous coal received by rail at Chicago, during the year 1868, came over this road. During three months of the year the mines that usually contributed largely to the business, were not operated, on account of the miners being "on a strike." This fact will explain the small per centage of increase in the tonnage over 1867; but new mines are being opened contiguous to your line, and the old ones are again being worked, and a large increase in the business is confidently expected during the present year.

The earnings, expenses, and profits from operations for the last seven years have been as follows:

Fiscal year.	Miles of road.	Result of operations		
		Earnings.	Expenses.	Profits.
1861	220	\$1,028,464	\$641,373	\$452,091
1862	220	1,225,001	767,217	457,784
1863	221	1,678,006	971,840	706,166
1864	257	2,770,484	1,531,105	1,239,379
1865	280	3,810,093	2,006,574	1,803,519
1866	290	3,695,153	2,210,536	1,484,617
1867	280	3,892,861	2,149,138	1,743,723
1868	431	4,508,642	2,463,181	2,045,461

The net earnings have been disposed of in the last three years as shown in the following statement:

	1866.	1867.	1868.
Net earnings	\$1,484,617	\$1,743,723	\$2,045,461
Joliet & Chic. R. lease	\$153,312	\$152,927	\$144,049
Alton & St. L. R. lease	11,760	10,711	..
St. L., Jack. & Chic. R. ls .....	..	..	140,000
Improvements	231,707	255,407	635,766
Interest on bonds	280,700	277,095	272,215
Sinking funds and tax	57,183	56,943	62,100
Dividends and tax	553,442	1,278,039	664,173
Balance to credit	\$306,558	\$226,477	\$30,215

The general balance sheets December 31, 1865-'68, exhibits the financial condition of the company thus :

	1865.	1866.	1867.	1868.
Capital stock, preferred.....	\$2,425,575	\$2,425,575	\$2,425,410	\$2,425,403
" common.....	1,783,813	2,826,648	2,826,572	2,141,872
Bonds—sinking fund.....	519,000	483,000	444,000	402,000
" 1st mortgage.....	2,400,000	2,400,000	2,400,000	2,400,000
" income.....	1,100,000	1,100,000	1,100,000	1,100,000
Sinking fund bonds cancelled.....	51,000	117,000	156,000	198,000
" cash.....	124	.....	.....	.....
Bonds and stocks unissued.....	87,813	87,813	87,813	87,813
Current accounts.....	269,960	842,917	209,160	350,181
Income, surplus Dec. 31..	1,291,398	1,497,955	924,352	984,667
Total.....	\$10,008,224	\$12,290,904	\$11,583,307	\$13,039,933

Against which the following charges are made :

	1865.	1866.	1867.	1868.
Cost of road & equipm't (220 miles).....	\$8,308,919	\$10,118,522	\$10,276,604	\$11,433,523
Bonds and stocks unissued.....	87,813	87,813	87,813	87,813
Alton & St. Louis R.R. shares.....	687,700	675,000	.....	.....
Railroad bonds (foreign).....	.....	24,800	17,800	178,011
U. S. certificate, \$135,000.....	.....	135,614	10,000	10,000
Renewal account, bonds in trust.....	50,000	50,000	50,000	50,000
Supplies on hand.....	451,984	438,139	338,787	465,592
Timber land.....	41,268	.....	.....	.....
Stock depot & grounds purchased.....	78,639	50,000	55,000	55,000
Interest in palace sleeping cars.....	.....	.....	20,000	41,200
Expended to replace losses at Bloomington..	.....	.....	78,152	.....
For depot grounds at Bloomington.....	.....	.....	13,800	49,353
Current accounts.....	203,954	165,478	180,967	136,099
Cash on hand, general fund.....	193,097	597,538	524,128	468,638
Total.....	\$10,008,224	\$12,290,904	\$11,583,307	\$13,039,933

Since the re-organization of the Company in October, 1862, the following cash dividends have been declared and paid :

Date of payment.	Pref.	Com.	Date of payment.	Pref.	Com.
September, 1863.....	3½	3½	September, 1866.....	5	5
March, 1864.....	3½	—	March, 1867.....	5	5
September, 1864.....	3½	6	September, 1867.....	5	5
March, 1865.....	5	5	March, 1868.....	5	5
September, 1865.....	3½	3½	September, 1868.....	5	5
March, 1866.....	5	5	March, 1869.....	5	5
Total in five years and a half.....	54	53			

The monthly range of prices for the stocks of this Company in the New York market, for the last three years, is shown in the table which follows :

	Common Stock.			Preferred Stock.		
	1866.	1867.	1868.	1866.	1867.	1868.
January.....	108 @ 105½	105 @ 110½	120 @ 136	105 @ 107	109 @ 112	131 @ 140
February.....	102 @ 112	106 @ 111	128 @ 136	103 @ 120	112 @ 116	138 @ 134
March.....	83 @ 112½	105½ @ 108½	129 @ 131	94½ @ 118	106 @ 109	132 @ 138½
April.....	84 @ 90½	103 @ 107	12½ @ 128½	93 @ 96	108 @ 109	125 @ 129
May.....	91 @ 99	107 @ 108	127½ @ 128	100 @ 101	111½ @ 111½	124 @ 123½
June.....	95 @ 99	109 @ 114½	129 @ 133	102 @ 102	111½ @ 116½	130 @ 85
July.....	98½ @ 105½	114 @ 115	137 @ 138	104½ @ 106	117 @ 122	128½ @ 29½
August.....	102½ @ 119	111 @ 117	136 @ 144	105 @ 109½	114 @ 120	138½ @ 145
September.....	105 @ 113½	117 @ 125	141 @ 158½	106½ @ 113½	113 @ 128	.....
October.....	110½ @ 113½	123 @ 125	150 @ 153½	113 @ 113½	125 @ 128	.....
November.....	106 @ 113	120 @ 122	134 @ 151	109½ @ 113½	125 @ 128½	.....
December.....	103 @ 110½	121½ @ 130½	140 @ 147	110½ @ 111	125 @ 130	.....
Year.....	83 @ 119	105 @ 130½	127½ @ 158½	93 @ 120	106 @ 130	125 @ 145

GOLD CONTRACTS.

Frederick Bronson, Executor of the last will and testament of Arthur Bronson, deceased, Plaintiff in error, *vs.* Peter Rodes. In error to the Court of Appeals of the State of New York.—Mr. Chief Justice CHASE delivered the opinion of the Court:

This case comes before us upon a writ of error to the Supreme Court of New York.

The facts shown by the record may be briefly stated.

In December, 1851, one Christian Metz having borrowed of Frederick Bronson, executor of Arthur Bronson fourteen hundred dollars, executed his bond for the repayment to Bronson of the principal sum borrowed on the 18th day of January, 1857, in gold and silver coin, lawful money of the United States, with interest, also in coin, until such repayment, at the yearly rate of seven per cent.

To secure these payments, according to the bond, at such place as Bronson might appoint, or in default of such appointment at the Merchants' Bank of New York, Metz executed a mortgage upon certain real property, which was afterwards conveyed to Rodes, who assumed to pay the mortgage debt, and did in fact pay the interest until and including the first day of January, 1864.

Subsequently, in January, 1865, there having been no demand of payment nor any appointment of a place of payment by Bronson, Rodes tendered to him United States notes to the amount of \$1,507, a sum nominally equal to the principal and interest due upon the bond and mortgage.

At that time one dollar in coin was equivalent in market value to two dollars and a quarter in United States notes.

This tender was refused, whereupon Rodes deposited the United States notes in the Merchants' Bank to the credit of Bronson, and filed his bill in equity praying that the mortgaged premises might be relieved from the lieu of the mortgage, and that Bronson might be compelled to execute and deliver to him an acknowledgment of the full satisfaction and discharge of the mortgage debt.

The bill was dismissed by the Supreme Court sitting in Erie County; but, on appeal to the Supreme Court in general term, the decree of dismissal was reversed, and a decree was entered adjudging that the mortgage had been satisfied by the tender, and directing Bronson to satisfy the same record; and this decree was affirmed by the Court of Appeals.

The question which we have to consider, therefore, is this:

Was Bronson bound by law to accept from Rodes United States notes equal in nominal amount to the sum due him as full performance and satisfaction of a contract which stipulated for the payment of that sum in gold and silver coin, lawful money of the United States?

It is not pretended that any real payment and satisfaction of an obligation to pay fifteen hundred and seven coined dollars can be made by the tender of paper money worth in the market only six hundred and seventy coined dollars. The question is, Does the law compel the acceptance of such a tender for such a debt?

It is the appropriate function of Courts of justice to enforce contracts according to the lawful intent and understanding of the parties.

We must, therefore, inquire what was the intent and understanding of Frederick Bronson and Christian Metz when they entered into the contract under consideration in December, 1851.

And this inquiry will be assisted by reference to the circumstances under which the contract was made.

Bronson was an executor, charged as a trustee with the administration of an estate. Metz was a borrower from the estate. It was the clear duty of the former to take security for the full repayment of the money loaned to the latter.

The currency of the country, at that time, consisted mainly of the circulating notes of State banks, convertible, under the laws of the States, into coin on demand. This convertibility, though far from perfect, together with the acts of Congress which required the use of coin for all receipts and disbursements of the National Government, ensured the presence of some coin in the general circulation; but the business of the people was transacted almost entirely through the medium of bank notes. The State banks had recently emerged from a condition of great depreciation and discredit, the effects of which were still widely felt, and the recurrence of a like condition was not unreasonably apprehended by many. This apprehension was, in fact, realized by the general suspension of coin payments, which took place in 1857, shortly after the bond of Metz became due.

It is not to be doubted, then, that it was to guard against the possibility of loss to the estate, through an attempt to force the acceptance of a fluctuating and perhaps irredeemable currency in payment, that the express stipulation for payment in gold and silver coin was put into the bond. There was no necessity in law for such a stipulation, for at that time no money, except of gold or silver, had been made a legal tender. The bond without any stipulation to that effect would have been legally payable only in coin. The terms of the contract must have been selected, therefore, to fix definitely the contract between the parties, and to guard against any possible claim that payment, in the ordinary currency, ought to be accepted.

The intent of the parties is, therefore, clear. Whatever might be the forms or the fluctuations of the note currency, this contract was not to be affected by them. It was to be paid, at all events, in coined lawful money.

We have just adverted to the fact that the legal obligation of payment in coin was perfect without express stipulation. It will be useful to consider somewhat further the precise import in law of the phrase "dollars payable in gold and silver coin, lawful money of the United States."

To form a correct judgment on this point, it will be necessary to look into the statutes regulating coinage. It would be instructive, doubtless, to review the history of coinage in the United States, and the succession of statutes by which the weight, purity, forms, and impressions of the gold and silver coins have been regulated; but it will be sufficient for our purpose if we examine three only, the acts of April 2, 1792, (1 U. S. St., 246,) of January 18, 1837, (5 U. S. St., 136,) and March 3, 1849, (U. S. St., 397.)

The act of 1792 established a mint for the purpose of a National

coinage. It was the result of very careful and thorough investigations of the whole subject, in which Jefferson and Hamilton took the greatest parts; and its general principles have controlled all subsequent legislation. It provided that the gold of coinage, or standard gold, should consist of eleven parts fine and one part alloy, which alloy was to be of silver and copper in convenient proportions, not exceeding one-half silver, and that the silver of coinage should consist of fourteen hundred and eighty-five parts fine, and one hundred and seventy-nine parts of an alloy wholly of copper.

The same act established the dollar as the money unit, and required that it should contain four hundred and sixteen grains of standard silver. It provided further for the coinage of half dollars, quarter dollars, dimes and half dimes, also of standard silver, and weighing respectively a half, a quarter, a tenth, and a twentieth of the weight of a dollar. Provision was also made for a gold coinage, consisting of eagles, half eagles, and quarter eagles, containing, respectively, two hundred and ninety, one hundred and thirty five, and sixty-seven and a half grains of standard gold, and being of the value, respectively, of ten dollars, five dollars, and two and a half dollars.

These coins were made a lawful tender in all payments according to their respective weights of silver or gold; if of full weight, at their declared values, and if of less, at proportional values. And its regulation as to tender remained in full force until 1837.

The rule prescribing the composition to alloy has never been changed; but the proportion of alloy to fine gold and silver, and the absolute weight of coins, have undergone some alteration, partly with a view to the better adjustment of the gold and silver circulations to each other, and partly for the convenience of commerce.

The only change of sufficient importance to require notice was that made by the act of 1837. (5 U. S. St., 137.) That act directed that standard gold, and standard silver also, should thenceforth consist of nine parts pure and one part alloy; that the weight of standard gold in the eagle should be two hundred and fifty eight grains, and in the half eagle and quarter eagle, respectively, one-half and one-quarter of that weight precisely; and that the weight of standard silver should be in the dollar four hundred twelve and a half grains, and in the half dollar, quarter dollar, dimes, and half dimes, exactly one-half, one-quarter, one-tenth, and one-twentieth of that weight.

The act of 1849 (9 U. S. St., 397) authorized the coinage of gold double-eagles and gold dollars conformably in all respects to the established standards, and, therefore, of the weights respectively of five hundred and sixteen grains and twenty-five and eight-tenths of a grain.

The methods and machinery of coinage had been so improved before the act of 1837 was passed, that unavoidable deviations from the prescribed weight became almost inappreciable; and the most stringent regulations were enforced to secure the utmost attainable exactness, both in weight and purity of metal.

In single coins the greatest deviation tolerated in the gold coins was half a grain in the double-eagle, eagle, or half eagle, and a quarter of a grain in the quarter eagle or gold dollar; (19 U. S. St., 393) and in the silver coins, a grain and a half in the dollar and half dollar, and a grain

in the quarter dollar, and half a grain in the dime and half dime. (15 U. S. St., 1837.)

In 1849 the limit of deviation in weighing large numbers of coins on delivery by the chief coiner to the Treasurer and by the Treasurer to depositors was still further narrowed.

With these and other precautions against the emission of any piece inferior in weight or purity to the prescribed standard, it was thought safe to make the gold and silver coins of the United States legal tender in all payments according to their nominal or declared values. This was done by the act of 1837. Some regulations as to the tender, for small loans, of coins of less weight and purity have been made; but no other provisions than that made in 1837, making coined money a legal tender in all payments, now exists upon the statute books.

The design of all this minuteness and strictness in the regulation of coinage is easily seen. It indicates the intention of the Legislature to give a sure guarantee to the people that the coins made current in payments contain the precise weight of gold or silver of the precise degree of purity declared by the statute. It recognizes the fact, accepted by all men throughout the world, that value is inherent in the precious metals; that gold and silver are in themselves values, and being such, and being in other respects best adapted to the purpose, are the only proper measures of value; that these values are determined by weight and purity; and that form and impress are simply certificates of value, worthy of absolute reliance only because of the known integrity and good faith of the Government which gives them.

The propositions just stated are believed to be incontestable. If they are so in fact, the inquiry concerning the legal import of the phrase "dollars payable in gold and silver coin, lawful money of the United States," may be answered without much difficulty. Every such dollar is a piece of gold or silver, certified to be of a certain weight and purity, by the form and impress given to it at the mint of the United States, and therefore declared to be legal tender in payments. Any number of such dollars is the number of grains of standard gold or silver in one dollar multiplied by the given number.

Payment of money is delivery by the debtor to the creditor of the amount due. A contract to pay a certain number of dollars in gold or silver coins is therefore, in legal import, nothing else than an agreement to deliver a certain weight of standard gold, to be ascertained by a count of coins, each of which is certified to contain a definite proportion of that weight. It is not distinguishable, as we think, in principle, from a contract to deliver an equal weight of bullion of equal fineness. It is distinguishable, in circumstance only, by the fact that the sufficiency of the amount to be tendered in payment must be ascertained, in the case of bullion, by assay and the scales, while in the case of coin it may be ascertained by count.

intended by the provision of the cur-
either contract by the tender of depre-
equivalent only in nominal amount to
the coined dollars. Our conclusion,
is, that the bond under consideration
at it was in the understanding of the

parties—a valid obligation to be satisfied by a tender of actual payment according to its terms, and not by an offer of mere nominal payment. Its intent was that the debtor should deliver to the creditor a certain weight of gold and silver of a certain fineness, ascertainable by count of coins made legal tender by statute; and this intent was lawful.

Arguments and illustrations of much force and value in support of this conclusion might be drawn from the possible case of the repeal of the legal tender laws relating to coin and the consequent reduction of coined money to the legal condition of bullion, and also from the actual condition of partial demonetization to which gold and silver money was reduced by the introduction into circulation of the United States notes and national bank currency; but we think it unnecessary to pursue this branch of the discussion further.

Nor do we think it necessary now to examine the question whether the clauses of the currency acts making the United States a legal tender are warranted by the Constitution.

But we will proceed to enquire whether upon the assumption that those clauses are so warranted, and upon the further assumption that engagements to pay coined dollars may be regarded as ordinary contracts to pay money rather than as contracts to deliver certain weights of standard gold, it can be maintained that a contract to pay coined money may be satisfied by a tender of United States notes.

Is this a performance of the contract within the true intent of the acts?

It must be observed that the laws for the coinage of gold and silver have never been repealed or modified. They remain on the statute book in full force. And the emission of gold and silver coins from the mint continues; the actual coinage during the last fiscal year having exceeded, according to the report of the director of the mint, nineteen millions of dollars.

Nor have those provisions of law which make these coins a legal tender in all payments been repealed or modified.

It follows that there were two descriptions of money in use at the time the tender under consideration was made, both authorised by law, and both made legal tender in payments. The statute denominations of both descriptions was dollars; but they were essentially unlike in nature. The coined dollar was, as we have said, a piece of gold or silver of a prescribed degree of purity, weighing a prescribed number of grains. The note dollar was a promise to pay a coined dollar; but it was not a promise to pay on demand or at any fixed time, nor was it in fact, convertible into a coined dollar. It was impossible, in the nature of things, that these two dollars should be the actual equivalents of each other, nor was there anything in the currency acts purporting to make them such. How far they were, at that time, from being actual equivalents has been already stated.

If, then, no express provision to the contrary be found, in the acts of Congress, it is a just if not a necessary inference, from the fact that both descriptions of money were issued by the same government, that contracts to pay in either were equally sanctioned by law. It is, indeed, difficult to see how any question can be made on this point. Doubt concerning it can only spring from that confusion of ideas which always attends the introduction of varying and uncertain measures of value into circulation as money.

The several statutes relating to money and legal tender must be construed together. Let it be supposed, then, that the statutes providing for the coinage of gold and silver dollars are found among the statutes of the same Congress which enacted the laws for the fabrication and issue of note dollars, and that the coinage and note acts, respectively, make coined dollars and note dollars legal tender in all payments, as they actually do. Coined dollars are now worth more than note dollars; but it is not impossible that note dollars, actually convertible into coin at the chief commercial centres; receivable everywhere, for all public dues; and made, moreover, a legal tender, everywhere, for all debts may become, at some points, worth more than coined dollars. What reason can be assigned now for saying that a contract to pay coined dollars must be satisfied by the tender of an equal number of note dollars which will not be equally valid then, for saying that a contract to pay note dollars must be satisfied by the tender of an equal number of coined dollars?

It is not easy to see how difficulties of this sort can be avoided, except by the admission that the tender must be according to the terms of the contract.

But we are not left to gather the intent of these currency acts from mere comparison with the coinage acts. The currency acts themselves provide for payments in coin. Duties on imports must be paid in coin, and interest on the public debt, in the absence of other express provisions, must also be paid in coin. And it hardly requires argument to prove that these positive requirements cannot be fulfilled if contracts between individuals to pay coin dollars can be satisfied by offers to pay their nominal equivalent in note dollars. The merchant who is to pay duties in coin must contract for the coin which he requires; the bank which receives the coin on deposit contracts to repay coin on demand; the messenger who is sent to the bank or the custom-house contracts to pay or deliver the coin according to his instructions. These are all contracts, either expressed or implied, to pay coin. Is it not plain that duties cannot be paid in coin if these contracts cannot be enforced?

An instructive illustration may be derived from another provision of the same acts. It is expressly provided that all dues to the government, except for duties on imports, may be paid in United States notes. If, then, the government, needing more coin than can be collected from duties, contracts with some bank or individual for the needed amount, to be paid at a certain day, can this contract for coin be performed by the tender of an equal amount in note dollars? Assuredly it may if the note dollars are a legal tender to the government for all dues except duties on imports. And yet a construction which will support such a tender will defeat a very important intent of the act.

retive, may be found in the contracts of bullion at the mint to pay them out in coin. These are demands for interest on the public debt; and as United States notes payable for all except such interest. But can any such demand be satisfied by the tender of note dollars? Can judicial sanction be given to a bank which may discharge its obligation to the government by the tender of a number of note dollars equal

to the number of gold or silver dollars which it has contracted by law to pay!

But we need not pursue the subject further. It seems to us clear beyond controversy that the act must receive the reasonable construction, not only warranted, but required by the comparison of its provisions with the provisions of other acts, and with each other; and that upon such reasonable construction it must be held to sustain the proposition that express contracts to pay coined dollars, can only be satisfied by the payment of coined dollars. They are not "debts" which may be satisfied by the tender of United States notes.

It follows that the tender under consideration was not sufficient in law, and that the decree directing satisfaction of the mortgage was erroneous.

Some difficulty has been felt in regard to the judgments proper to be entered upon contracts for the payment of coin. The difficulty arises from the supposition that damages can be assessed only in one description of money. But the act of 1792 provides "the money of account of the United States shall be expressed in dollars, dimes, cents and mills, and that all accounts in the public offices, and all proceedings in the courts of the United States shall be kept and had in conformity to these regulations."

This regulation is part of the first coinage act, and doubtless has reference to the coins provided for by it. But it is a general regulation and relates to all accounts and all judicial proceedings. When, therefore, two descriptions of money are sanctioned by law, both expressed in dollars and both made current in payments, it is necessary in order to avoid ambiguity and prevent a failure of justice, to regard this regulation as applicable alike to both. When, therefore, contracts made payable in coin are sued upon, judgments may be entered for coined dollars and parts of dollars; and when contracts have been made payable in dollars generally, without specifying in what description of currency payment is to be made, judgments may be entered generally, without such specification.

We have already adopted this rule as to judgments for duties by affirming a judgment of the Circuit Court for the District of California (*Cheang Kee vs U. S.*, 8 Wall, 320), in favor of the United States, for thirteen hundred and eighty-eight dollars and ten cents, payable in gold and silver coin, and judgments for express contracts between individuals for the payment of coin may be entered in like manner.

It results that the decree of the Court of Appeals of New York must be reversed, and the cause remanded to that Court for further proceedings.

Mr. Justice Davis concurring in the result, said:

I assent to the result which a majority of the Court have arrived at, that an express contract to pay coin of the United States, made before the Act of February 25, 1862, commonly called the Legal-Tender Act, is not within the clause of that Act which makes treasury notes a legal tender in payments of debts; but I think it proper to guard against all possibility of misapprehension by stating that if there be any reasoning in the opinion of the majority which can be applicable to any other class of contracts, it does not receive my assent.

Mr. Justice Swayne said :

I concur in the conclusion announced by the Chief-Justice.

My opinion proceeds entirely upon the language of the contract and the construction of the statutes.

The question of the constitutional power of Congress, in my judgment, does not arise in the case.

An opinion was also delivered in the Supreme Court of the United States, March 1, sustaining the gold contract case from Maryland, on the same principle as that involved in the case of *Bronson against Rodes*. Chief Justice Chase delivered the opinion of the Court. The case was *Thomas C. Butler vs. Benjamin J. Horwitz*—in error to the Court of Common Pleas for the State of Maryland, and the following is a careful report of the opinion :

Chief Justice Chase said : The principles which determine the case of *Bronson vs. Rodes* will govern our judgment in this case. The record shows a suit for breach of the covenant for payment of rent in a lease of certain premises to the City of Baltimore, made in 1791 for 99 years, renewable forever, upon an annual rent of fifteen pounds current money of Maryland, payable in English golden guineas, weighing five pennyweights and six grains, at thirty-five shillings each, and this gold and silver at their present weight and rate established by Act of Assembly. The obvious intent of the contract was to secure payment of a certain rent in gold and silver, and thereby to avoid the fluctuations to which the currency of the country, in the days which preceded and followed the establishment of our independence, had been subject ; and, also, all future fluctuations incident to arbitrary or uncertain measures of value, whether introduced by law or usage. It was argued in the Court below that the rent due upon the lease reduced to current gold and silver coin was, on the 1st of January, 1866, \$40, and judgment was rendered on the 27th of June, 1866, for \$59 17. This judgment was rendered as the legal result of two propositions,—first, that the covenant in the lease required the delivery of a certain amount of gold and silver in payment of rent ; and, second, that damages for non-performance must be assessed in the legal-tender currency. The first of these propositions is, in our judgment, correct ; the second is, we think, erroneous. It is not necessary to go at length into the grounds of this conclusion. We will only state briefly the general propositions on which it rests, most of which has been stated more fully in *Bronson vs. Rodes*. A contract to pay a certain sum in gold and silver coin is in substance and legal effect a contract to deliver a certain weight of gold and silver of a certain fineness to be ascertained by count. Damages for non-performance of a contract may be recovered at law as for non-performance of a contract to deliver bullion or other commodity, but whether the contract be for delivery or payment of coin or bullion or other property, damages for non-performance must be assessed in lawful money, that is to say, in money declared to be legal-tender in payment by a law made in pursuance of the Constitution of the United States. It was not necessary in the case of *Bronson vs. Rodes*, nor is it necessary now to decide the question whether the acts making

United States notes legal-tender are warranted by the Constitution. We express no opinion on that point, but assume, for the present, the constitutionality of those acts. Proceeding upon this assumption, we find two descriptions of lawful money in use under the acts of Congress, in either of which damages for non-performance of contracts, whether made before or since the passage of the Currency acts, may be properly assessed in the absence of any different understanding or agreement between parties. But the obvious intent in contracts for payment in coin to guard against fluctuations in the medium of payment warrants the inference that it was the understanding of the parties that such contracts should be satisfied, whether before or after the judgment, only by tender of coin; while the absence of any express stipulation as to description in contracts for payment of money, generally warrants the opposite inference of an understanding between parties that such contracts may be satisfied before or after judgment by the tender of any lawful money. This inference as to contracts made prior to the passage of the acts making United States notes legal-tender is strengthened by the consideration that those acts not only do not prohibit, but by strong implication sanction contracts since their passage for the payment or delivery of coin; and consequently, taken in connection with the provision of the act of 1792, concerning money of account, require the damages upon such contracts to be assessed in coin and judgment rendered accordingly; leaving the assessment of damages for breach of other contracts to be made and judgment rendered in lawful money. It would be unreasonable to suppose that the Legislature intended a different rule, as to contracts prior to the enactment of the Currency laws, from that sanctioned by them in respect to contracts since. We are of opinion, therefore, that assessments of damages, whether in coin or lawful money, severally, that judgments upon such assessments should be in conformity to the stipulation of contracts in regard to the medium of payment. It follows then, that in the case before us, the judgment was erroneously entered. The damages should be assessed at the sum agreed to be due, with the interest in gold and silver coin, and judgment for the amount with costs. The judgment of the Court of Common Pleas must, therefore, be reversed, and the cause remanded for further proceedings.

Mr. Justice Miller dissented, for reasons given by him, in *Bronson vs. Rodes*.

SENATOR SPRAGUE'S NEW FINANCIAL SCHEME.

The past month Mr. Sprague made several of his characteristic speeches in the Senate, on the bill introduced by him a few days ago, authorizing the loaning of the public money to industrious needy persons on competent security and at a low rate of interest. His scheme, partly from its novelty and partly from other obvious causes, has not found much favor either in or out of Congress. As the bill has not been printed in full in any of our leading newspapers, we propose to give

some account of its chief provisions, which are these: First it appoints a new and very powerful board of officials, as a United States Council of Finance. The functions of this board are "to loan daily, on proper security, money of the United States in excess of a balance of seventy-five millions of coin." Another function of this board would be to exercise some surveillance over the internal exchanges of the country, with which view they would be empowered to determine at what points all drafts upon the Treasury of the United States shall be paid. A second point provided for in the bill is the supplying of this board with funds to be loaned out to borrowers. These funds are to consist chiefly of the reserves of the National banks, which are no longer to be held by the banks themselves, but are to be deposited in the New York Sub-Treasury. The deposits of country banks which keep their reserves in New York are also to be placed in the Sub-Treasury; and to be subject to the control of the new Council of Finance. Thirdly: The present system of gold note issues is to be extended and enlarged. The gold notes are to be made a legal tender, and the Secretary of the Treasury is to issue these legal-tender gold notes dollar for dollar to the full amount of all the coin in the Treasury, both that which belongs to the Government and that which is the property of private individuals.

The most cursory perusal of this bill will suffice to show that it contains some extremely impracticable provisions. In the first place, the proposed Council of Finance would have a very delicate task in deciding upon the merits and claims of the thousands of applications for pecuniary aid which would pour in upon them from every State and city in the Union. Again, it would be difficult to avoid the suspicion of partiality and corruption. Moreover, the losses which might be incurred would probably be enormous, and in such circumstances the Committee could not be expected to be wholly exonerated from blame. Add to this the certainty that a great number of applicants for government aid must of necessity be disappointed, and it will be evident that the practical difficulties in the way of carrying out the details of Mr. Sprague's scheme are insuperable. We might urge the dangers of using the bank reserves in any such way as this bill proposes, but we refrain.

Were we to grant, however, that these difficulties could be overcome, so to work smoothly, still there is a principle on which it rests its case based on the assumption that it is and it to needy individuals on interest. shows that no government has ever without doing mischief both to the

public interests and to the private firms with whom it is brought into rivalry. Besides the policy is manifestly unjust that would take public money, which is the property of the whole nation, and would lend that money for the exclusive benefit of private individuals. For it must be evident that the government would be committing a gross outrage on the principles of equal and impartial justice to raise by taxation larger sums of money than are really needful, in order that the surplus may be employed in doubtful projects, or wasted in vain attempts to benefit the community by doing violence to the natural laws of trade. On the whole then we conclude that the neglect with which Mr. Sprague's scheme has been received by Congress and the country is not undeserved. And this for two reasons, first, because it is impracticable and would work more of evil than of good. Secondly, because it is founded on unsound principles, which in France and in England have often been urged by financial enthusiasts, but have for a long time been rejected by competent statesmen and political economists.

[FROM THE COMMERCIAL AND FINANCIAL CHRONICLE of April 10.]

COTTON CROP STATEMENT AND OVERLAND SHIPMENTS.

It has become more and more evident within the past few years that the published statements of the cotton crop were defective in two important particulars: first they have failed to show the total crop of the country, but have been simply statements of the receipts at the ports; and secondly, they have given a very imperfect indication of our home consumption. In saying this we do not wish to be considered as reflecting upon that journal which for so many years furnished the trade with its only useful statistics with regard to the movement of cotton. It has received great credit for its annual record, and deserves all it has received. But when the CHRONICLE first undertook to prepare a yearly cotton statement, we, in common with many in the trade and all observing manufacturers, saw these defects, and endeavored to correct them; the information we could obtain, however, was imperfect, and the results consequently not all that we could wish, although an acknowledged improvement upon the past.

The difficulties encountered were the fruits of our own railroad system which furnishes now so many avenues of communication between the South and the North that the mills both at the North and South receive much of their cotton direct from the plantations and from inland ports. To supply the necessary facts with regard to these movements, we endeavored to obtain returns from the railroads over which the cotton passes; but while a large number are always ready to furnish the complete figures so far as their lines are concerned, some roads refused to make any

returns at all, and others gave them with too little detail to be of much use. The only other source of information remaining was the mills themselves; if correct facts could be obtained from them as to the year's consumption and stock at the beginning and close of the year a full crop statement could be furnished. Early last year, therefore, we made arrangements to get these facts from the mills, but before we had completed our plans we learned that the National Manufacturers Association were procuring the same details. Unexpected delays were met with, so that the figures were only in part received by the Association in time for our last crop statement, and we were compelled to depend principally upon the railroad returns already referred to. Since then, however, the Association has finished its work, and we think with the help of their figures a more correct idea of the yield of the country last year can now be obtained than for any previous season, and some errors which have been made in other crop statements can be readily discovered. We would remark here in passing that our annual cotton review to be issued next September will be very complete, as we have made arrangements to receive through the Manufacturers Association full returns of the consumption for the year ending August 1, and the stock at that date; these facts, together with the railroad figures which we are sure to receive, will enable us to furnish a very full and accurate crop statement.

But as to past statements it is not generally understood that what is called "the cotton crop of the United States" has in former times never meant the production of the country. If we take for instance the annual statements for many years back, it will be found that the total crop never equals the total consumption and export. The following figures are from the cotton review of the *New York Shipping List* for the years named:

	Average per year of 5 years, 1856-1861. Bales.	Year 1865-6. Bales.	Year 1866-7. Bales.	Year 1867-8. Bales.
Total crop.....	3,647,364	2,154,476	1,951,988	2,430,893
Consumption in the } North.....	668,000	541,035	573,217	799,817
United States } South.....	164,786	187,640	230,672	168,848
Total home consumption.....	831,786	731,725	854,039	968,165
Exports from the United States.....	2,853,51	1,554,664	1,553,845	1,651,626
Total export and consumption.....	3,785,087	2,286,389	2,407,884	2,619,791

We have not included in the above the consumption put down for Virginia, which is made a separate item, nor the cotton burnt; if added they would further increase the discrepancy noticed. Of course a part of this discrepancy is due some years to diminished stocks at the close of the season; but the balance arises from two facts which we have already noticed:—first, inaccurate returns of the railroad shipments direct to manufacturers, and second, greatly exaggerated ideas of Southern

consumption. The manufacturers' association is able to set us right on some of these points, and especially with regard to the consumption in the South. They give it at about 85,000 bales. That their figures are correct there can be no room for doubt, as they have obtained returns from almost every mill in the South. Besides, they receive very strong confirmation, while the above statement is shown to be clearly incorrect, in the census of 1860, which gave the total used by the Southern mills at that time at about 85,000 bales, instead of about 170,000 bales as above. With the light of this fact let us now see what the total crop statement should be and how the Southern consumption would vary from the generally received estimates :

	Average from			
	1856-61.	1865-6.	1866-7.	1867-8.
Southern consumption as above...bales.....	168,786	187,640	280,673	168,348
Actual Southern consumption.....	85,000*	80,000	82,000	185,000
Amount of error.....	83,786	107,640	198,673	83,348

The total actual consumption and export and production would then be as follows :

Actual Southern consumption.....	85,000*	80,000	82,000	185,000
Actual Northern consumption.....	704,000*	700,000	850,000	1900,000
Total consumption.....	78,900	780,000	932,000	985,000
Total export from United States.....	2,953,251	1,554,664	1,553,345	1,651,636
Total export and consumption..	3,742,351	2,334,664	2,385,345	2,636,636
Deduct decrease in stock during year.....			212,549	45,025
Add increase of stocks.....		188,030		
Total cotton crop..... bales.	3,742,351	2,522,694	2,172,796	2,591,611

These figures convey a very accurate idea of the production of the country during the past three years,† and we believe they are the first that have been published since the war, which do indicate our total crop. Before the war the movement overland was much less considerable; now it is large and increases year by year. Bringing forward then our own crop statements, and making the additions here indicated for shipments direct to the mills, the following would be the production and the course of the receipts for three years :

	Year ending Sept. 1.		
	1866.	1867.	1868.
Receipts at the shipping ports.....	2,241,322	1,945,774	2,940,222
Shipments direct to manufacturer.....	201,472‡	125,023	266,319
Manufactured in the South.....	80,000	82,000	85,000
Total production...	2,522,694	2,172,796	2,591,551

The present year the overland direct shipments will show some increase on last season. As our readers are aware, we have already made

* Per census returns.

† Manufacturers' Association returns.

‡ Of course the figures for 1867-8 are not, strictly speaking, the product of that year, but in part of the years during the war.

§ The record of shipments to the ports during 1867-8 was for the early part of the year very imperfectly kept, so that a part of the amount put down here as overland that year in all probability came through the ports.

up the figures to the first of January, and added in the total (193,000 bales) at that time. We now have figures which bring down the movement to the first of April; but as we have not as yet obtained all the details we desire from the railroads, we omit to give the statement, merely remarking that the direct shipments have, without doubt, during the last three months been very much less than for the earlier part of the year.

The foregoing tables, however, furnish a full statement of the production of cotton in the country for the years named: and it is to be hoped that in all future annual reviews, the total production will be given and not simply the receipts at the ports. To call the latter the cotton crop of the United States is to say the least a misnomer.

COMMERCIAL CHRONICLE AND REVIEW

Monetary Affairs—Rates of Loans and Discounts—Bonds sold at New York Stock Exchange Board—Price of Government Securities at New York—Course of Consols and American Securities at New York—Opening, Highest, Lowest and Closing Prices at the New York Stock Exchange—General Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.

March has been devoid of any special features in financial affairs. The expectations of a return of money from the interior have been only very partially realized. For about two weeks there has been a moderate reflux of currency from New Orleans, and some slight amounts have been received also from the West. Upon the whole, however, the banks have received much less from other sections than is usual in March. The West has been backward in its payment to the East, and has bought very sparingly of goods for the spring trade, and especially upon cash terms. The South has been a larger purchaser in our markets than at any period within the last ten years, and it might have been reasonably supposed that a good amount of the currency sent there in payment for cotton would now begin to find its way back. The non-realization of this expectation, however, warrants the supposition that the South is now buying upon credit to a much larger extent than during late years—an assumption which is countenanced by the improved confidence felt in Southern merchants. The retention of currency at other sections, from these causes, has reduced the loanable resources of the banks to an unusually low point. On the 27th of March the legal tenders held by the associated banks amounted to only \$50,500,000, which, before the close of the month, was further reduced by large remittances to Philadelphia and other points. The change in the system of National Bank statements has not afforded that relief from interference with the course of money attached to the old method which has been expected. There has not been the derangement at the close of the month growing out of preparations for the statement to be made on the first Monday of April, but the banks, feeling that a statement may be called for showing their condition upon any day, have kept their affairs constantly in the same position as they would have held on the statement day, which undoubtedly has had no little influence in checking financial

operations. The withdrawal of money to adjoining States, in connection with the usual April settlements, has induced, at the close of the month, a very active condition of the loan market. All street borrowers were glad to get money, on stocks or governments, at 7 per cent in gold, and large transactions were done at a commission of 1-16 to $\frac{1}{4}$ per cent additional to the lawful rate of interest. The larger stock houses, however, anticipating such a condition of affairs, have protected themselves by long loans running into the period when money usually becomes easy.

The following are the rates of Loans and Discounts for the month of March:

RATES OF LOANS AND DISCOUNTS.

	Mar. 5.	Mar. 12.	Mar. 19.	Mar. 26.
Call loans	—@ 7	—@ 7	—@ 7	—@ 7
Loans on Bonds and Mortgage... ..	—@ 7	—@ 7	—@ 7	—@ 7
A 1, endorsed bills, 2 mos.....	—@ 8	—@ 8	8 @ 9	8 @ 9
Good endorsed bills, 3 & 4 mos.....	8 @ 10	8 @ 10	9 @ 11	9 @ 12
“ “ single names....	9 @ 10	9 @ 10	10 @ 12	10 @ 12
Lower grades.....	12 @ 5	12 @ 15	12 @ 15	12 @ 15

In the stock market there has been a revival of speculative activity; but the transactions have not been so large as in March, 1868, the total sales, at both boards, for the month having been 1,053,055 shares, against 1,658,577 shares last year. This falling off in transactions may be attributed to the fact that, within the year, a large amount of stocks have passed into the hands of investors, and that an unusually liberal proportion of the stocks on the market are held steadily by combinations, in connection with schemes looking to the control of certain through routes. The earnings of the roads having been satisfactory, speculation has been characterized by a steady, not to say firm, feeling; which has been little shaken by anticipations of a close money market at the beginning of April. It is a fact deserving of note that the transactions at the boards have fallen from 5,942,000 shares, during the first quarter of 1868, to 3,597,000 shares, within the last three months, a decrease of 2,345,000 shares.

The total transactions for the month at the two boards have been 1,053,055 shares, against 1,658,577 shares for the corresponding month last year.

Classes.	1868.	1869.	Increase.	Dec.
Bank shares ..	2,979	2,545	.....	434
Railroad “ ..	1,393,014	769,892	.....	623,122
Coal “ ..	10,916	2,934	.....	8,012
Mining “ ..	10,012	79,516	69,504	.....
Improv't “ ..	20,650	10,410	.....	10,250
Telegraph “ ..	45,958	44,035	2,082	.....
Steamship “ ..	93,308	99,798	6,490	.....
Expr's & c “ ..	81,625	40,915	.....	40,690
Total—March.	1,658,577	1,053,055	.....	605,522
Since January 1..	5,942,897	3,597,988	.....	2,344,909

The passage of the Public Credit bill and the inauguration of the new President—which was very generally regarded as the beginning of an era of economy and good faith in national affairs—have been attended with a very active speculation in United States securities. These events have been regarded in Europe as justifying a higher range of values for our bonds, and very large orders have consequently been received for the several issues of Five-Twenties; while foreign houses here have also sent out considerable amounts upon speculation. In this way, probably not less than \$20,000,000 of bonds have gone to Europe

during March; and it is estimated that, at the close of the month, close upon \$20,000,000 more were held by foreign houses in this city, with a view to their ultimate shipment. The large amount of bills made against these shipments so far depressed the rates of exchange as to check the export; and hence the largeness of the amount of bonds now held by foreign bankers. The advance of 1 per cent in the Bank of Eng'and rate of discount, on Thursday, is understood to have been induced very much by the large influx of our bonds and the consequent increased demand for temporary advances upon them. At the close of the month, domestic dealers were generally light holders of bonds, and appeared inclined to defer purchases until it became apparent how far the market would sympathize with the pressure in money and how far the European markets would continue to take bonds. The extent of transactions and the range of prices, during the month, will appear from the following figures:

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	Inc.	Dec.
U. S. bonds	\$13,482,730	\$25,890,200	\$11,957,450	\$.....
U. S. notes	4,701,600	.....	.....	4,701,600
St'e & city b'ds	6,653,500	4,822,825	.....	2,831,175
Company b'ds	1,112,500	2 167,500	1,051,000	.....
Total—March	\$25,900,950	\$31,890,025	\$5,979,675	\$.....
Since January 1	63,349,650	98,019,925	22,670,285	.....

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of March, as represented by the latest sale officially reported, are shown in the following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	—6's, 1881.—		—6's, (5-20 yrs.) Coupon—					5's, 10-4	
	Coup.	Reg.	1863.	1864	1865, new	1867.	1869. yrs	C'pn.	
1.....	115½	115½	119	114½	115	112½	118	.....	106½
2.....	115½	.....	117½	111	115	112½	118½	.....	105½
3.....	115½	.....	117½	113½	114½	.....	114½	.....	103½
4.....	115½	.....	118	111½	115½	119½	112½	112½	.....
5.....	116½	115½	119	115	116½	113½	118½	118	105½
6.....	.....	114½	118½	114½	.....	112½	112½	117½	105½
7.....	.....	114½	118½	114½	116½	112½	117½	117½	105½
8.....	116½	115½	118½	114½	116½	112½	112½	.....	105½
9.....	116	.....	118½	114½	116½	112½	112½	.....	105½
10.....	116½	115½	119½	114½	117	112½	112½	112½	105½
11.....	117½	.....	120	115	117½	118½	118½	113½	.....
12.....	116½	.....	.....	115½	117½	113½	113½	.....	105½
13.....	116½	.....	119½	115½	118	118½	118½	113½	105½
14.....	117	.....	119½	115½	117½	118½	118½	.....	105½
15.....	116½	.....	119½	114½	117½	113½	113½	113½	.....
16.....	116½	.....	120	115½	117½	113½	118½	113½	105½
17.....	116½	.....	119½	115	117	113½	113½	114	105½
18.....	.....	116	118½	111½	116½	113½	118½	.....	105½
19.....	116½	.....	118½	114½	116½	118	118½	118½	105½
20.....	116½	.....	118½	114½	116½	113½	118½	.....	105½
21.....	116	.....	118½	114½	116½	113½	118½	.....	105½
22.....	115½	.....	118½	114	116½	117½	118½	.....	105½
23.....	115½	.....	118½	113½	115½	112½	112½	.....	105½
24.....	115½	.....	118½	113½	115½	112½	112½	113	105½
25.....	115½	115	113	113½	115½	118	118	.....	105½
26.....	.....	.....	(Good Friday).						
27.....	115½	.....	118½	114	116½	117½	118½	.....	105½
28.....	115½	.....	118½	113½	115½	112½	112½	.....	105½
29.....	115½	.....	118½	113½	115½	112½	112½	113	105½
30.....	115½	.....	118½	113½	115½	112½	112½	113	105½
31.....	115½	.....	118½	113½	115½	112½	112½	113	105½
First.....	115½	115½	118	114½	115	112½	118	112½	106½
Highest.....	117½	116½	120	115½	118	113½	118½	114	106½
Lowest.....	115½	114½	117½	118½	114½	112½	112½	112½	105½
Last.....	115½	115	118	113½	115½	118	118	118	105½

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

Date.
Monday.....
Tuesday.....
Wednesday.....
Thursday.....
Friday.....
Saturday.....
Monday.....
Tuesday.....
Wednesday.....
Thursday.....
Friday.....
Saturday.....
Monday.....
Tuesday.....
Wednesday.....
Thursday.....
Friday.....
Saturday.....
Monday.....

The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities quoted at the New York Stock Exchange during the months of February and March, 1869 :

	February				March			
	Open.	High.	Low.	Clos.	Open.	High.	Low.	C.
Railroad Stocks—								
Alton & Terre Haute.....	41½	41½	39	39	38	38	35	1
do do pref.....	68½	69½	68½	6 ¾	66	66	63	4
Boston, Hartford & Erie.....	....	....	....	....	26½	25½	26½	2
Chicago & Alton ..	159	161	153	156½	159	154	149½	14
do do pref.....	183½	180	183	187	186½	184½	184	1
Chicago, Burl. & Quincy ..	177	197	167	199	174½	174½	174	17
do & Northwest'n.....	84½	84½	82	82½	83½	85½	81	6
do do pref.....	91½	93½	90	91½	92	94½	89½	9
do & Rock Island.....	120½	129	124½	126½	129	131	124½	12
Columb., Chic. & Ind. C.....	56	56	45½	47	46	44	42½	4
Cleva. & Pittsburg.....	96½	94	89½	9 ¾	89½	90½	87	8
do & Toledo.....	104½	106½	104½	10 ¾	106½	107½	104½	20
do Col. Cin & Ind.....	74	74	68½	69½	63½	69	63	4
Del., Lack & Western.....	119½	119½	115	115½	117½	117½	113½	11
Dequie & Sioux city.....	103	107	1 3	107	109	115½	107	11
do do pref.....	....	....	....	....	101	101	101	10
Erie.....	38	38	38	38	124½	127	124½	12
Harlem.....	140	140	137	137	115	119	108	11
Hannibal & St. Joseph.....	110	122	109	121	115	119	110	11
do do pref.....	109½	118	1 8	115	115	115	110	11
Hudson River.....	125	128½	123	127	128	140½	125½	12
Illinois Central.....	129	140	129½	140	140	141	1 3	12
Joliet & Chicago.....	95	95	95	95	96	96	96	4
Long Island.....	....	....	....	....	45	47	45	4
Lake Shore.....	101½	105½	101½	1 5½	106	107½	105	10
Mar. & Cincin., 1st ..	24½	28	23½	23	24	24	23	3
do do 2d ..	8½	8½	8	8	8½	8½	8½	12
Michigan Central.....	119½	120	117½	114½	118	119½	117½	12
do S. & N. Ind. ..	93½	9 ¾	91½	97½	97	97½	94½	9
Milwaukee & St. Paul.....	66½	67	64½	66	66½	71½	64½	7
do do pref.....	81½	81½	77	76½	79½	80½	76	6
Morris & Essex.....	18	67	66	64½	67	81	66½	6
New Jersey.....	120	120	120½	120½	129	129	129	12
do Central.....	113	114	110	110½	111	112	109½	10
New York Central.....	169	169½	160	164½	163	164½	159½	16
do & N. Haven.....	154	154	143	144	....	....	....	16
Norwich & Worcester.....	96	105	99	105	105½	106½	100	16
Oil Creek & Alleghany.....	75	75	75	75	....	....	....	16
Ohio & Mississippi.....	28	38½	23	31½	24	24	23	2
do do pref.....	76	77	75½	76	75	74	75	7
Panama.....	240	240	234	235	230	235	230	23
Pittsb., Ft. W. & Chica.....	121	122	117½	121	124	124½	117	12
Reading.....	96½	96½	91½	92½	94½	94½	91	9
Stonington.....	83	83	82	82	....	....	....	11
Rome, W. & Ogdensb'g.....	....	....	....	....	11½	11½	11½	11
Toledo, Wab. & Western.....	65	66	63½	66	66	69	65	69½
do do do pref.....	77½	77½	77	77	73	79	73	79
Warren.....	....	....	....	....	87½	87½	87½	87½

Miscellaneous—

Ashtabula Coal.....	3	3	3	3	....	...	....	....
Central	65	65	60	63	63½	63	63½	68
Cumberland Coal	38½	38½	36	37	37	37	37	37
Del. & Ind. Canal Coal.....	125½	125	125	125	128½	129	127	129
Pennsylvania Coal.....	...	...	...	...	216	217	212½	216
Spring Mountain Coal.....	60	60	60	60	...	...	...	...
Wilkesbarre Coal.....	...	...	...	...	28	28	28	28
Atlantic Mail.....	...	...	...	...	20	20	20	20
Pacific Mail	119½	120	97½	108	101½	101½	68½	69½
Boston Water Power	15½	16	15½	16	16	15½	16	16
Canton	60	61½	60	60½	60½	61½	59	59
Brunswick City.....	10	10	9½	9½	9½	9½	9½	9½
Mariposa	8	11½	8	11½	13½	14½	28	18½
do pref.....	24½	32½	24½	32½	28½	35	31½	34½
Quicksilver.....	23½	26½	12½	24½	25½	25½	19½	21
Manhattan Gas.....	250	250	250	250	...	...	...	...
West. Union Telegraph.....	36	36	36½	37½	37½	38½	36½	38½
Union Trust.....	...	...	...	...	145	145	145	145
Express—								
American M. Union.....	28½	45	28	45	40½	45	19½	40½
Adams	48½	68	48	64½	60	64	58	53½
United States.....	42	59	43	55½	55	56½	54	56½
Merchant's Union	14½	18½	13½	17½	16	17½	15	15
Wells, Fargo & Co.....	24	30½	23	30½	31½	29	30	30½

The gold premium has been comparatively steady. The course of our foreign trade has induced some firmness among holders; but the large exports of bonds have neutralized any upward tendency in the premium from that cause. Holders, however, have derived some advantage, during the latter half of the month, from loans. The reduced supply on the market has enabled them to obtain high rates from speculative sellers, the interest at one time reaching $\frac{1}{2}$ per cent per day. The government has furnished \$3,698,000 of coin in the way of interest payments, but has taken off the market \$13,241,000 in receipts for customs duties, an unusually large amount. The receipts from California have been \$659,000 less than in March, 1868, but, as an offset, the exports to foreign ports have been \$1,220,000 less than at the same period of last year.

COURSE OF GOLD AT NEW YORK.

Exports of coin and bullion.....	\$1,582,000	\$1,361,583	..	\$1,582,000
Customs duties	9,717,472	12,341,406	2,362,522	..
Total withdrawn	\$13,3 0,001	\$15,003,979	\$1,372,872	\$.....
Excess of withdrawals.....	\$7,781,721	\$9,472,151	\$1,690,430	\$.....
Specie in banks decreased.....	4,147,284	7,412,919	3,265,635	.....
Derived from unreported sources	\$2,684,237	\$2,082,239	\$.....	\$1,572,146

The following exhibits the quotations at New York for bankers 60 days bills on the principal European markets daily in the month of February, 1869 :

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London. cents for 54 pence.	Paris.	Amsterdam.	Bremen.	Hamburg.	Berlin cents for thaler.
1.....	108½ @ 09					71½ @ 71½
2.....						71½ @ 71½
3.....						71½ @ 71½
4.....						71½ @ 71½
5.....						71½ @ 71½
6.....						71½ @ 71½
7.....						71½ @ 71½
8.....						71½ @ 71½
9.....						71½ @ 71½
10.....						71½ @ 71½
11.....						71½ @ 71½
12.....						71½ @ 71½
13.....						71½ @ 71½
14.....						71½ @ 71½
15.....						71½ @ 71½
16.....						71½ @ 71½
17.....						71½ @ 71½
18.....						71½ @ 71½
19.....						71½ @ 71½
20.....						71½ @ 71½
21.....						71½ @ 71½
22.....						71½ @ 71½
23.....						71½ @ 71½
24.....						71½ @ 71½
25.....						71½ @ 71½
26.....						71½ @ 71½
27.....	108½ @ 108½	521½ @ 520		78½ @ ...	35½ @ 36	71½ @ 71½
28.....	108½ @ 108½	521½ @ 520		78½ @ ...	35½ @ 36	71½ @ 71½
29.....	108 @ 108½	522½ @ 521½		78½ @ 78½	35½ @ 35½	71 @ 71½
30.....	107½ @ 108	522½ @ 521½		78½ @ 78½	35½ @ ...	71½ @ 71½
Mar., 1869.....	107½ @ 109½	522½ @ 513½	40½ @ 41½	78½ @ 78½	35½ @ 36½	71½ @ 71½
Mar., 1868.....	108½ @ 110	517½ @ 518½	41 @ 41½	79 @ 79½	36 @ 36½	71½ @ 71½

RAILROADS OF MASSACHUSETTS AND NEW JERSEY.

The statement given below furnishes an abstract in tabular form of all the principal items contained in the Reports upon Railroads made to the Legislatures of Massachusetts and New Jersey respectively ; that of Massachusetts is for the year ending November 30, 1868, and of New Jersey for the year ending December 31, 1868.

The report upon the railroads of Ohio was given in the *MAGAZINE* of February, 1869, and the reports of New York and Pennsylvania will be presented very soon. These reports, taken together, furnish a very complete summary of the operations and financial situation of the numerous and important railroad companies in the States mentioned, and if a comparison with the previous year is desired, the principal reports for 1867 will be found in the *MAGAZINE* of May, 1868.

**REPORT OF THE RAILROADS AND CANALS OF NEW JERSEY FOR THE YEAR
ENDING DEC. 1868.**

	Cost of road & equipm't.	Capital stock paid in.	Funded debt	Earn- ings in 1868.	Ex- penses in 1868.	Div's in '68, p. c.
Belvidere, Del.....	\$5,914,695	\$996,150	\$2,941,500	\$614,876	\$419,435	....
Camden & Amboy.....	11,221,696	5,000,000	\$9,685,645	6,911,568	4,034,028	10
New Jersey.....	7,811,277	6,250,000	860,000			10
Del. & Raritan Can'l.....	4,520,394	4,939,400	.....			10
Camden & Atlantic.....	2,162,101	1,109,405	1,065,179	325,040	190,695	....
Camd. & Bur'g'n Co.....	710,962	831,525	885,000	Leased to C. & A.		3
Cape May & Millvil.....	758,815	447,100	200,000	Leased to W. J. r.		3
Central of N. J. ..	10,234,725	15,000,000	2,500,000	2,729,412	2,379,192	10
Flemington.....	.....	150,011	100,000	17,481	20,527	....
Freeh'd & Jamesb'g....	829,105	230,844	.....	53,493	39,131	3
Hackens'k & N. Y.....	.....	99,700	62,000	79,545	70,315	....
L. Branch & Sea S're.....	223,440	178,222	.....	55,462	42,091	....
Millstone & N. Brun.....	109,918	95,750	.....	14,660	11,113	....
Morris Canal.....	8,407,724	2,200,000	1,181,287	415,083	241,007	2½
Morris & Essex.....	9,729,062	4,228,500	8,500,500	1,921,412	1,539,009	7½
Northern of N. J.....	525,568	159,200	400,000	279,360	261,600	....
Pemb't'n & Highst'n.....	533,785	339,650	160,000	Leased to C. & A.		6
Paterson & Hud. R.....	650,000	630,000	Les'd to Erie for \$26,500			8
Paterson & Ramapo.....	320,000	248,000	85,000	L'd to E. for \$53,400		5½
P. Amboy & Woodb.....	214,581	57,200	100,000	19,220	12,390	....
Raritan & Del. Bay.....	.....	253,000	1,250,000	254,898	224,231	....
Salmon.....	278,227	180,550	100,000	26,839	20,046	6
South Branch.....	362,804	Leased to Central of N. J.				6
Sussex.....	4,098,592	274,400	200,000	67,705	41,763	6
Vincentown Branch.....	45,216	25,000	15,000	2,927	3,427	....
Ware.....	2,000,000	1,547,650	511,400	460,370	303,844	7
West Jersey.....	1,810,803	1,203,750	1,221,500	565,643	318,514	....

* See note 1.

† Within the limits of Massachusetts.

‡ Percentage of \$4,756,142 82, dividends on \$59,794,415 46 paid capital stock of dividend-paying railroads included in this table.

a Leased to Housatonic Railroad.

b Name changed from Agricultural Branch.

c The Boston and Worcester Railroad Company and the Western Railroad Company consolidated, under the name of the Boston and Albany. The Pittsfield and North Adams Railroad is operated by this Company.

d Operated by the Boston and Lowell Railroad.

e Leased to and operated by the Boston and Maine Railroad Company.

f Operated by the Boston and Providence Railroad Company.

g The return of the Cape Cod Central Railroad embraces only the five months ending April 30 1868; at which time the road was transferred to the Cape Cod Railroad Company, and it is now merged in the Cape Cod Railroad.

h The Dorchester and Milton Branch Railroad is operated by the Old Colony and Newport Railway Company. The Dighton and Somerset Railroad Company has been merged in the Old Colony and Newport Railway Company.

i The Essex Railroad now constitutes the Lawrence Branch of the Eastern Railroad. The South Reading Branch Railroad is leased and operated by the Eastern Railroad Company. The Rockport Railroad having been purchased by the Eastern Railroad Company, now constitutes a part of the Gloucester Branch of the Eastern Railroad.

j The Fairhaven Branch Railroad is owned and operated by the New Bedford and Taunton Railroad Company, and its return appended to that of said company.

k The Stony Brook Railroad is operated by the Nashua and Lowell Railroad Company.

l "Net Income" of this abstract represents the amount remaining after deducting from "Total Income" the following items: Expense of working, interest paid, and all State or National Taxes on road, dividends, surplus, &c.

§ Debt of Joint Companies.

MR. DELMAR'S REPORT ON THE TARIFF.

We give this public document with the exception of the tables :

UNITED STATES BUREAU OF STATISTICS, }
WASHINGTON, December 11, 1868. }

To the Secretary of the Treasury:

SIR—From the foundation of the government of the United States to the year 1846, was, with occasional exceptions, an era of what were deemed at the time high or protective tariffs. From 1846 to 1861 was an era of what were deemed at the time low or revenue tariffs. In the first era the object was protection—the incident, revenue. In the second era, the object was revenue—the incident, protection. The relative prosperity of the country during these two eras, or during certain portions of them, has commonly been used as evidence of the practical benefit flowing from one or the other of the rival systems of taxation alluded to. But when, with the amount of our foreign trade is contrasted the vastly greater amount of our internal traffic; when, in a word, it is known that our annual export trade has, at least since 1840, never amounted in value to one-fourth of our annual products of raw materials alone, and averaged scarcely one-fifth;* while as compared with the gross annual product of our industries it has scarcely exceeded five per cent.† the conclusiveness of this argument, so far as experience goes, may well be questioned.

It is sufficient for the purposes of this report, first, to merely briefly mention what doctrines upon this subject have alternately prevailed in this country, and what views are at present held.

From 1861 to the present time has constituted an uninterrupted era of high or protective tariffs; and so many articles are made dutiable, so many changes have been made in the rates of duty since 1861, so extremely high are these rates, and so complex are many of them, as to demand the attention of the statistician to the working of such a system, its effect upon the consumption of imported commodities, its effect in benefitting the interests of domestic manufacturers, its effect upon the revenues, and finally such other marked effects as may appear to have flowed from it. The number of articles subject to duty at the present time according to Ogden's *Tariff*, is over 3,000. A large proportion of these, however, consist of classes of articles. For example: "Articles worn," &c., "manufactures, N. O. P." "raw materials, N. O. P.," &c., each of which classes themselves embrace a large number of separate articles; so that the whole number of separate articles upon which import duties are

Act of December 24, 1861.—Changed duties on tea, coffee, sugar, &c.

Act of July 14, 1862.—Changed the whole schedule.

Act of March 3, 1863.—Changed duties on silk, printing paper, lac, polishing powders, washing dyes, coal oil, &c.

Act of June 30, 1864.—Changed the whole schedule.

Act of March 3, 1865.—Changed duties on cottons, liquors, silks, railroad and tubing iron, coal oil, tobacco, quicksilver, &c.

Act of March 14, 1866.—Modified the warehouse law.

Act of May 16, 1866.—Changed duties on live animals, &c.

Act of July 28, 1866.—Changed duties on cigars, cotton, and liquors, and changed basis of all foreign valuations, &c.

Act of March 2, 1867.—Changed duties on wool, all dry goods, carpets, and clothing into which wool enters, on hems, oil cloths, oil silks, &c.

Act of July 20, 1868.—Changed duties on cigars, &c.

Besides several minor acts and parts of acts and a great variety of constructions, judicial, departmental, and others. Of these numerous legislative changes, however, the principal ones are those of 1861 and 1864.

The tables of Imports for Home Consumption will illustrate the enormity of some of the rates of duty now imposed.

[This table from its great length is omitted.]

In illustration of the complexity of many of these duties, it may be stated that the duties on balmoral skirts are levied per pound, the same on wool hats, and most other woolen fabrics; that the duties on steel vary according to valuation, being so much per cent ad valorem, and, in addition, so much per pound specific; that the duties on iron wire are graduated according to a variety of qualities and gauges; that the duties on cotton goods are graduated according to the number of threads to the square inch, the value, the texture, and the color classified in various combinations; that the duties on Muscovado sugars are levied according to a clayed standard, and that in some cases "differential," "discriminating," and "additional" duties are imposed to render complexity still more perplexing.

From this complexity has resulted so much practical difficulty in the business of importing foreign merchandise and so much dispute about the proper rates to be levied upon importations as to have created the necessity for additional officers of the revenue, some of whom are obliged to be stationed abroad for additional safeguards against under-valuations and smuggling; and have given employment to a large class of persons not connected with the government whose whole business it is to act as brokers or *entrepreneurs* between the importers and the Custom-house officials. Nor have these results stopped here; but still another class of persons has been called into existence whose business it is to interfere between the recommendations of the Executive department and the Legislature, and to seek and influence the frequent enactment and amendment of revenue laws, with the object of profiting thereby, either through the control of trade monopolies or from the possession of early information of anticipated changes in the law. Such has already been the success of these persons that they now form wealthy and powerful combinations impatient of all restraint and intolerant of all interference with their plans. All who stand in their

way are attacked with fury, and either through friends or fear even the officers of the executive departments are brought within the range of their influence, and constrained to follow a course of action conformable to the wishes of these combinations and in their interests, and contrary to the public welfare and the interests of the people. The odious combinations that profit by the internal revenue laws are more than matched by the still more odious combinations that profit by the tariff laws, until at last it has become almost as much as the official positions of many public servants are worth, to set themselves in opposition to them in the performance of their duties to the government. The influence thus exerted upon the tariff laws, it should be understood, are not always in the direction of increased taxes. By the act of June 30, 1864, an internal revenue tax of five per cent was imposed upon all manufactures and productions set forth in that act. To counteract and balance such temporary disadvantages to home manufacturers as, it was thought, might result from the imposition of these taxes before the same could be drawn back in the prices of the taxed commodities when sold, a so-called corresponding increase of duties was demanded and obtained, though, in point of fact, this increase was out of all correspondence with the additional internal revenue taxes imposed, exceeding them in numerous instances many fold.

Subsequently, during the winter of 1867, a movement for the repeal of these internal revenue taxes developed itself, and notwithstanding the objections interposed by the Secretary of the Treasury to this proposed lowering of the revenues, in his letter of March 18, 1868, an act was passed on the 31st of March, 1868, which effected the repeal of nearly all the taxes upon manufactures and productions. This important act, together with some minor ones that preceded and followed it, effected a reduction in the revenues of nearly one hundred million dollars. This reduction was not followed by any corresponding reduction of the duties on imported merchandise, nor was it followed by a fall in the market prices of the merchandise from which the taxes had been removed; so that it may be concluded without fear of contradiction, that nearly the whole amount of which the government was thus deprived constituted a direct bounty for the benefit of the parties interested. Indeed, so little was a corresponding reduction in the tariff entertained, that shortly afterwards a bill was introduced into the House of Representatives to still further increase the rates of duties, which bill is still pending legislative action.

At the present time a further project is mooted of abolishing the income tax. If this tax be abolished, it is respectfully suggested that there may be reason to anticipate a movement for the entire abolition of the system of internal revenue taxes. Towards this end, the odium brought upon the collection of these taxes by the influence of internal revenue combinations goes far to support the claims of the tariff combinations, and when it is called to mind that, as a general thing, taxes are unpopular in proportion as they are directly levied, the suggestions here advanced will not appear to be without foundation. This conclusion, taken in connection with the present heavy expenditures for the public service, embracing as it does one hundred and thirty millions alone for interest on the public debt, points to a period when the demands of the tariff combinations will be still further increased, and the present high tariff sought to be superseded by a still higher one, with what results upon

the discipline of the service, the yield of the revenue, upon public morality, and the industrial interests of the country, will readily be foreseen.

When the means for opposing these tendencies are sought for, in view of the great interests involved, how few and impotent they are. So marked is becoming the influence of these combinations, that it is feared that the recommendations of the executive departments on this and cognate subjects may fail in future to receive that amount of consideration which they are entitled to command. Nor does the action of the commercial community, as indicated by the movements of trade organizations, appear to develop any material opposition to these repeated augmentations of customs duties; for while they accrue principally to the temporary advantage of the home manufacturers, and the combinations early apprised of their intended enactment, they also accrue in a measure to the temporary benefit of importing merchants, since they enable them to dispose of at higher prices such stocks of merchandise as they may have on hand at the time. In short, the only persons whose interests are both temporarily and permanently opposed to these combinations are the people at large, who are not organized, and whose interests fail to be fully recognized and represented in the ordinary manner. This results from the fact that the question as to what is their true interest in the matter is a very complex one, but more from the fact that the subject has not been publicly agitated in this country for upwards of a whole generation.

These circumstances afford but little encouragement to oppose in any manner the prevailing tendency on this subject; but the public servant should ever be mindful that the ultimate object for which he is employed is the public interest, and that, wherever in the line of his duty, he believes the public interest to be in one direction, he should never fear to pursue it, no matter what powerful combinations and what influences may lie in the other.

There was brought to the director's attention, while engaged upon the business of organizing and preparing the system of custom house statistics returned to this office a series of returns, the compilation of which had been neglected for many years, that afforded—what had not been shown since the administration of Mr. Secretary Walker—a clear view of the working of the tariff laws. The returns referred to are those of home consumption (imports) and imposts (duties), now printed for the first time. These returns, their important nature, and the neglect which for many years had attended their compilation in this Department were referred to in a previous report.* Their results will form the subject of the present report.

A few further remarks are necessary by way of preface.

Whatever has been the permanent effect of high duties on importation in restricting in other countries, or in past times even in this country, the statistics to be adduced will prove (other things being equal) that—except for a short interval following their first imposition, the time varying

* Commerce and Navigation, 1867.

according to the severity of the rate, generally from one to three years—custom duties have no such effect in this country.*

Importations are renewed, generally on an undiminished scale, and never diminished beyond that trifling extent which would result from the same degree of taxation levied in any other manner. This is a point of the highest importance, for it decides the question: "Is it practicable to secure by means of a tariff, the domestic monopoly of any commodity capable of being more cheaply produced abroad?"

The director has carefully examined the statistics of the importation of a large number of important articles, and in every instance he has found that an increase of duty on the article has been followed, first by a temporary check of importation and falling off of the revenue, and, after a brief interval, by a resumption of importation on an undiminished scale, and an increase of the revenue.

The result of these observations suggests the advantage of in future considering all proposals to raise the tariff purely from the standpoint of revenue, and without any regard to their supposed effect upon importation, and consequently their effect in protecting or subserving the interests of domestic producers or others; it being shown that these latter effects cannot be more than of a merely ephemeral character, generally lasting not over a year—sometimes not beyond a few months—the effect, of course, being proportionate to the percentage of increase effected in the tariff. It is in this light that they are respectfully submitted for your consideration and that of Congress. A more particular description of the tables from which these important facts are derived, now becomes necessary.

THE HOME CONSUMPTION AND IMPOST TABLES.

Up to the year 1864 the collectors of customs were not required by the Treasury Department to report the quantities and values of all articles which were imported and paid duties at their several Custom Houses and the amount of duties paid on the same. An "impost account" was demanded of, and rendered by them, which exhibited the quantities of all the separate articles imported that paid specific duties, and also showed the amount of cash received as duties on each of these articles. But as to those much more numerous articles that paid *ad valorem* duties, the form of account demanded, only called for the total value of all the articles that entered into each *ad valorem* class, as *e. g.* the 10 per cent, the 50 per cent, the 80 per cent class, &c, and the total amount of duties received on each of such classes.

From accounts thus constructed, it was impossible to separately ascertain either the quantity imported of, or the duties received on, any article taxed *ad valorem*.

would require more space for explanation of this part. The rate of duty levied, the total amount of taxes raised, the relation of consumption, of a given article, and which the duration of a given protection. Increase of duty on castor oil (comparative protection than an equal increase on another point: the effect of a given may only be produced to a comparative yield less than that of an equal increase of it home to an extent fully equal to the

The insufficiency of the impost accounts in omitting to furnish the quantities of and duties on each separate article taxed *ad valorem*, seemed to have attracted the attention of Mr. Secretary Fessenden, who, in 1864, issued a regulation calling for the rendition of an account from collectors which should furnish the same details relative to the importation of articles taxed *ad valorem* as were furnished of articles taxed specifically, and moreover, requiring the sworn values of the latter (a matter that had previously been omitted) to be furnished also. In obedience to this requisition the accounts were prepared and forwarded by the collectors, but they were never compiled in the department. Through this neglect the collectors gradually ceased to render them, and when the Bureau of Statistics was first organized (in 1866) not above four or five customs collectors were found to have continued the practice of rendering them to the department, and with these few accounts nothing was ever done beyond filing them away. It was not known what accounts they were, or why they were sent, and no inquiry seemed to have been made in the matter. As for the regulation of 1864 it seemed to have been entirely forgotten. The necessity of possessing an account of this character induced the Director to make such inquiries as afterwards resulted in a knowledge of the neglected regulation, and as eventually led to its enforcement.

The first fruit of the regulation of 1864 was, consequently, the Home Consumption and Impost account of 1867, which has been but lately completed. Without the aid of this account of 1867, the conclusions reached in this report would hardly have suggested themselves, so much are they due to that clear view of the subject afforded by a careful study of the latter account, in connection with the impost accounts of preceding years.

It is hoped that under no circumstances will this important account be permitted to ever again fail to reach the public.

The tables for the period 1862 to 1866, inclusive, will be found in the following publications :

- Impost account, 1862—Com. and Nav., 1862, p. 346.
- Impost account, 1863—Monthly report, No. 15, p. 17.
- Impost account, 1864—Com. and Nav., 1866, p. 398.
- Impost account, 1865—Monthly report, No. 4, p. 6.
- Impost account, 1866—Com. and Nav., 1867, part 2, p. 354.
- Home consumption and impost account, 1867—herewith.

It will be observed that of the entire series of these accounts, but one was published before the Director assumed the superintendence over this office.

An examination will now be made of the statistics of protected articles, selecting for this purpose the leading articles of iron and steel manufacture.

PIG IRON.

The amount of pig iron imported and paid duties of 1861 is not known. The net amount "entered," however, was 1,466,839 cwt., which probably approximates the amount imported. The rate was then 24 per cent *ad valorem*. This rate was raised by act of March 2, 1861, to 30 cents per cwt. The import at once fell off to 446,225 cwt. in 1862, but recovered

after the lapse of one year to 744,375½ cwt. in 1863. In 1864 the import rose to 1,576,562 cwt., by which time the act of 1861 appears to have ceased to have had any effect on importation. In this year the tax was raised 50 per cent higher, viz.: to 45 cents per cwt. The import at once fell off to 1,092,679½ cwt. in 1865, but recovered after the lapse of one year to 1,957,384 cwt. in 1866, by which time the act of 1864 had ceased to have any effect on importation. In 1867 the import rose to 2,279,799 cwt., and has not diminished since.

During all this period the revenues from this source show a constant increase each year.

RAILROAD IRON.

The amount of railroad iron imported and paid duties in 1861 is not known. The net amount entered, however, was 1,496,580 cwt., which probably approximates the amount imported. The rate was then 24 per cent ad valorem. This rate was raised by the act of March 2, 1861, to 60 cents per cwt. The import at once fell off to 124,723½ cwt. in 1862, and partially recovered to 397,868½ cwt. in 1863, the rate having been again raised by act of July 14, 1862, this time to 67½ cents per cwt., and the import again checked.

But in another year, 1864, it recovered to 2,084,587 cwt., by which time the acts both of 1861 and 1862 appear to have ceased to have had any effect on importation. The rate was again raised by act of March 3, 1865, to 78 4-10 cents per cwt., and the import in 1865 fell to 1,488,854 46 112 cwt., consisting chiefly of entries under the intermediately previous rate, enacted June 30, 1864, of 67 2-10 cents per cwt. In 1866 the import improved a little, amounting to 1,581,464 58-112 cwt. But in 1867, while still subject to the increased rates, it surpassed its amount in any of the previous years named, the import reaching 2,094,233 17-112 cwt. So that by this year the influence of all the previous increases of rates had ceased to have any effect on importation. The amount of duties received increased each year to 1864, then temporarily fell off to more than recover again in 1867.

POLISHING IRONS.

These articles, though of minor importance, exhibit the same results as the preceding. The rate previous to the act of 1861 was 24 per cent ad valorem. The rate was raised to 10 per lb., when the import fell off in 1862 to 1,590 lbs. This increased in the following year to 10,616 lbs., when the rate was again raised to 1½c per lb.; notwithstanding which the import continued to increase; when the rate was once more raised, this import in 1865 back to 3,050 lbs. 36, and by the year 1867 the influence rates entirely ceased; the import of

W WARE.

previous to 1861 these articles were
ent. No statistics. By the imposition

of 2½ cents per pound, under the act of 1861, the import fell (it is believed to have been previously much greater) to 33,878 pounds. Recovering within a year to 48,052 pounds, the rate was raised to 3 cents, when the import in 1864 fell to 17,541 pounds. Notwithstanding a further increase of rate, it increased in 1865 to 69,500 pounds, in 1866 to 88,401 pounds, and in 1867 to 271,791 pounds, the duties every year showing an increase except in 1864.

OLD AND SCRAP IRON.

Rate in 1861, 24 per cent ad valorem; net entries, 127,870 cwt. By act of 1861 the rate is raised to 30 cents per cwt.; import falls in 1862 to 48,791½ cwt.; increases in 1863 to 199,797½ cwt.; by which time the effect of the increased rate on importation is entirely lost; increases again in 1864 to 213,755½ cwt., when the rate is again raised, this time to 40 cents per cwt. Import in 1865 increases, notwithstanding, to 274,829 cwt.; falls off slightly in 1866 to 241,079½ cwt.; and increases in 1867 to 708,104 cwt.

It has occurred that the decrease in the import of these commodities from 1861 to 1862 may be ascribed to the influence of the civil war.

This objection will not avail, since the argument would be just as strong, if all reference to the falling off from 1861 to 1862, were omitted. The most important conclusion derived from these statistics is not that an increase of the rate of duty occasions a falling off of importation, but on the contrary, that it fails to produce such an effect. The clear and irrefutable proof of this fact is the main object of this report, and it is impossible to see how the evidence can be successfully impugned. The quantities shown in the tables are those upon which the duties were paid, and the combined amount of the latter tallies with the cash received into the Treasury. The quantities are not merely approximate—they are exact: and here the matter might rest altogether. But the statistics furnish other and less important, but very interesting results. It is observed that though increased rates of duty fail to destroy importation, yet that there is, nevertheless, an interval which follows the imposition of the increased duty, of about one year, scarcely ever more, during which the importation is temporarily checked by it. The one is a result, the other an incident, and the objection applies only to the incident, which is unimportant, and is merely interesting for the reason that it is sometimes mistaken for the result.

It is what occurs in this temporary interval, it is this incident, that is made the ground of a permanent policy, while what follows as a permanent result, viz.: the defeat of the attempted protection is not perceived, or if perceived, ignored. Manufacturers are delusively led to believe that an increase of tariff will secure them a monopoly of the home market, and are thus induced to contribute largely to support combinations having or professing to have this object in view, and the influence to secure it. The combination exerts itself in procuring the passage of the law, profits by being able to anticipate its effect on prices; and having pumped this source of profit dry, bequeaths it to the manufacturer, whose brief and second-hand employment of it is soon interrupted by a rise in the wages of his workmen, and afterwards destroyed by the recurrence of

the same relative position in the market prices of the foreign and domestic article as that from which he sought relief by this wholly ineffectual and delusive agency.

The manufacturer suffers; the workmen are impoverished, for they rarely obtain an advance of wages exactly equal to the advance in the cost of living which the increased tariff has occasioned; the public is fleeced by it both directly and indirectly, and demoralized in a thousand ways, and nothing comes of it but profit to the combination and a popular delusion which has been dignified by the name of a system, and falsely entitled Protection to Home Industry. The rest is mere waste, social friction—Sisyphism.

To recur to the comparison of 1861 with 1862, which illustrates the first temporary check to importation during the period 1861 to 1867, inclusive,* it should be stated that the total entries of 1862 fell off but 18 per cent from those of 1861; while of the articles on which the duties were heavily increased the entries fell off 25, 50 and 75 per cent—often to mere nothing.

But suppose the objection made in reference to this period be admitted to have full force, this does not dispose of the falling off from 1864 to 1865, following the tariff of June 30, 1864. The war came to a close in 1865, the total entries of that year amounted in value to but \$249,000,000 gold, while in 1864 they had reached \$330,000,000—a falling off of 25 per cent. It is deemed a bad rule that does not work both ways; but what shall be thought of one that will not work either way?

IRON WIRE.

Of this article in 1861 the net entries were 226,126 pounds, which approximately represents the imports, the duty having been then 24 per cent ad valorem. This rate having been raised to a complex compound duty depending on size, quality, value, etc., the imports in 1862 fell to 217,116 pounds. The rates were again raised very materially; yet in 1863 the imports rose to 1,734,770½ pounds, of which, however, a considerable portion—241,961 pounds—were imported under the rate previously existing. This avail having failed, and the duty being now very onerous—its effect in this instance lasting beyond one year—the imports of 1864 fell to 1,055,021 pounds. Yet again were the rates raised, causing the imports in 1865 to fall to 570,139 pounds. But here the influence of this policy on importation reached its limit. The imports in the following year rose to 1,371,288 pounds, and continued in 1867 to remain at 1,289,843 pounds. It will thus be observed that at the rate of 24 per cent ad valorem the imports only amounted to 226,000 pounds per annum; while at rates running from 2 cents per pound and 15 per cent ad valorem to 4 cents per pound and 15 per cent ad valorem the imports averaged 1,330,000 pounds per annum.

pounds,) 6,561,200 pounds. Duty 24 per cent advalorem. Rate raised to $1\frac{1}{4}$ cents per pound: import falls in 1862 to 6,516,436 pounds; rates raised to 2 cents on cables and $2\frac{1}{4}$ cents on anvils; import falls in 1863 to 6,510,580 pounds; no further raise; import increases in 1864 to 10,699,259 $\frac{1}{2}$ pounds; rate raised to $2\frac{1}{2}$ cents; import in 1865 falls to 3,928,413 pounds; recovers in 1866 to 7,664,279 pounds, and in 1867 increases to 10,487,009 $\frac{1}{4}$ pounds.

It will be recollected that of late years, as a general thing, our tariff laws have gone into operation immediately after their enactment, and without any previous notice to the public. Hence, whatever effects were occasioned by the frequent changes of rate, they could not be foreseen and taken advantage of, except by the combinations influencing their enactment, and advised of the probable success of their efforts. These combinations sometimes include foreign manufacturers, who, being thus forewarned of a contemplated increase of duties, forward an extra supply of goods in time to enter them at the old rates of duty, and reap the benefit accruing at the rise in price occasioned by the imposition of the new.

For more particular information on this topic reference is made to the official report of Mr. Consul Post, on the trade of Vienna, dated March 31, 1867, and published in the monthly report of this Bureau, No. 6, page 9, from which the following passage is extracted:

"There have been exported from this consular district to the United States during the last quarter merchandise to the value of 1,725,773.69 florins.

"The proposed increase of the United States tariff caused a large increase of exports in those articles on which it was believed the additional duties would be levied, in order that they might be entered under the law then existing. For instance, in the cloth manufactured at Brunn, the export had been about 60,000 florins per month, but when it became probable that Congress would increase the tariff on woollens, large quantities of cloth were hurried forward, and the amount sent to the United States during the months of December and January, and while the tariff was under discussion, exceeded 374,000 florins, while in March it fell to 21,000 florins.

"A careful investigation would doubtless show that, however an increase of duties may affect the government revenues and our home manufacturers, the collateral and immediate effect of such an increase, after a prolonged discussion in Congress, announcing in advance what additional duties will be required, is beneficial not only to the importers and owners of stocks on hand, but also to the manufactories abroad.

"The manufactories in this country accumulate large stocks on hand, and when an increase of duties is agitated in the United States these accumulated stocks are sent thither before the law goes into operation, and the profit of the transaction is measured by the increase of the tariff. The manufactories here, relieved of their surplus stocks are again put in active operation.

"On the other hand, when the new tariff takes effect, our country is already filled with these foreign stocks."

CERTAIN WOOD SCREWS.

The only wood screws imported into the United States for many years,

reaching back to a considerable period previous to 1860, have been small quantities of fancy screws, a monopoly of the business of manufacturing common wood screws having been successfully secured by the manufacturers in this country through letters patent on the machines employed in the manufacture. The following statistics, therefore, relate exclusively to the exceptional class of screws mentioned :

Duty, prior to the act of 1861, twenty four per cent ad valorem. No statistics of imports. Rate raised by the act of 1861 to five cents per pound on screws two inches or over in length, and eight cents per pound on screws less than two inches in length. Import in 1862, 133,036 pounds, believed to be considerably less than during the previous year. Rates raised in the following year to $6\frac{1}{2}$ and $9\frac{1}{2}$ cents, notwithstanding which the imports increased in 1863 to 174,006 lbs. Imports in 1864, 170,748 lbs. Rates again raised—this time to eleven cents on the smaller sizes—the sizes of which the imports principally consisted. Imports in 1865 reduced to 88,811 $\frac{1}{2}$ lbs. But in the course of a single year the entire influence of all these repeated increases of rate was more than overcome, and in 1866 the imports rose to over one million of pounds, and in 1867 to nearly one million and a half of pounds.

A published table exhibits the details, which, as in all the preceding cases clearly and unmistakably mark, First, the influence of the two principal tariffs of 1861 and 1864; Second, the loss of that influence after the lapse of a year, more or less; and, Third, the permanent restoration of the previous condition of affairs despite the continuance of the increased rates of duty :

STEEL.

Prior to 1861, the duties on steel, whether ingots, bars, sheets, or wire, was 15 per cent ad valorem. Net entries of these various descriptions of steel in 1861, 40,289,760 pounds; import supposed about the same. The classifications afterwards adopted make it necessary to trace the course of the import of steel in three separate directions, it being sufficient here to state that the combined imports in 1862 fell to less than 20,000,000 pounds.

I. INGOTS, BARS, SHEETS, OR WIRES NOT LESS THAN ONE-FOURTH INCHES IN DIAMETER—VALUE, SEVEN CENTS OR LESS PER POUND.

(Entries in 1861 not distinguishable from those of other steel.) Duty, under the act of 1861, raised to 1 $\frac{1}{2}$ c. per pound. Import in 1862, 6,795,094 pounds—believed to be considerably less than that of the year previous. In 1863, though the rate had meanwhile been raised to 1 $\frac{1}{2}$ c. per pound, the import, under both the old and new rates—principally under the new rate—amounted to 14,815,075 pounds. In 1864 the import, altogether under the new rate of one and three-fourth cents per

By the act of June 30, 1864, the two and one fourth cents per pound, import fell to 11,908,873 pounds. year 1866, however, the influence of duty lost, and the import rose to 19.—duties being afterwards imposed, it

II. INGOTS, BARS, SHEETS OR WIRE OF STEEL, NOT LESS THAN ONE-FOURTH INCH DIAMETER, VALUE ABOVE SEVEN CENTS AND NOT ABOVE ELEVEN CENTS.

Duty previous to the act of 1861, fifteen per cent ad valorem. Entries not distinguishable from those of other steel. No import statistics. Rate raised by the act of 1861 to two cents per pound. Import in 1862 10,011,710½ pounds, believed to be less than that of the previous year. Rate raised to two-and-a-half cents per pound. Import in 1863, 12,497,753 pounds, showing an increase in the import notwithstanding the additional duties imposed. This increased during the following year to 14,140,867½ pounds, when the rate was again raised, this time to three cents per pound. Accordingly the import fell in 1865 to 9,453,459 pounds, but recovered in the following year, 1866 to 9,820,680½ pounds, and in the year 1867, increased to 11,617,545 pounds, not quite the amount from which it fell in 1864. It will be observed in this instance that the extremely high rate of duty imposed, occasioned its influence to last longer than in the cases previously adduced. The effect of the tariff of 1861 upon this article was lost in less than a year, while that of the tariff of 1864 was not quite removed in three years.

III. INGOTS, BARS, SHEETS OR WIRE, NOT LESS THAN ONE QUARTER INCH DIAMETER, VALUE ABOVE ELEVEN CENTS..

Rate previous to the act of 1861, fifteen per cent ad valorem. Entries not distinguishable from those of other steel. No statistics of imports. Rate raised by act of 1861 to twenty per cent ad valorem. No statistics of the quantity imported this year nor in the two years following. Rate again raised by the act of June 30, 1864, to three and a half cents per pound and ten per cent ad valorem. Import 1,066,960 pounds, believed to be considerably less than during the preceding years. In 1866 the import rose to 1,450,714½ pounds, and in 1867 to 1,991,532 pounds.

IV. STEEL WIRE LESS THAN ONE-FOURTH INCH DIAMETER :

Duty previous to act of 1861, fifteen per cent ad valorem. Entries not distinguishable from those of other steel. No statistics of imports. By the act of 1861 complex compound duties were imposed of two cents per pound and fifteen per cent ad valorem and two and one half cents per pound and fifteen per cent ad valorem. Import in 1862, 682,740 pounds, believed to be much less than before. During the following year while the import was rapidly recovering, the duties were rendered still more onerous and complex; yet, such was the impetus attained that the import amounted to 1,209,520 pounds, but having exhausted itself, it fell in the succeeding year (1864) to 358,913 pounds, notwithstanding which, the duties were again raised and the import fell until it diminished in 1865 to 92,898 pounds. Under these various augmentations of rate the import in 1866 only rose to 199,016 pounds, although during the following year (1867) it increased to 251,383 pounds. In this instance, as in the others concerning steel, the duties were raised so often and to such an extent as to influence the importation for a period exceeding the ordinary one of a year. The combined duties heretofore imposed upon steel may therefore be regarded as having effected a three years' protection.

CERTAIN STEEL LAWS.

Duty previous to the act of 1861, twenty-four per cent *ad valorem*. Entries not distinguishable from those of other manufactures of steel. No statistics of imports. Rate of duty imposed by the act of 1861, eight cents, twelve and a half cents, and twenty cents per foot, according to classification. Import, 2,878 lineal feet in 1862, diminished to 2,356½ lineal feet in 1863, by the temporary exclusion of saws over nine inches wide effected by the duty of twenty cents per foot. In 1864 the import rose to 4,939 lineal feet, and notwithstanding a further increase of rate it rose in 1865 to 5,693½ lineal feet, and up to the termination of the year 1867 had not materially either increased or diminished, showing that in this case the combined increase of duties imposed amounted to something less than a three years protection.

ROLLED AND HAMMERED IRON.

Such has been the variety of rates imposed in the various tariff acts on these commodities, and such the complexity of the classifications used, as to have involved labor in the preparation of tables. Rolled and hammered iron in 1862 consisted of eleven classes under the tariff; in 1863 of nineteen classes; in 1864 of twelve classes; in 1865 of eleven classes; in 1866 of seven classes; and in 1867 of six classes. The quantities have all been brought to the common denomination of pounds, and the rate to that per ton of 2,240 pounds.

The net entries of bar, hoop, rod, plate, plate and sheet iron in 1861, amounted to 125,523½ tons, or 281,172,640 lbs. The import of that year is not known with precision, but was probably the same as the net amount entered, or thereabouts. The rate was then 24 per cent *ad valorem*. By the act of 1861, an average duty of 78c, per 100 lbs, was laid upon these commodities, which, as they average 2c, per lb, in value, was equal to an *ad valorem* duty of 39 per cent. Upon this, in 1862 the import fell to 70,153,310 lbs. A further increase in the average rate to 89c, per 100 lbs was effected in 1863, notwithstanding which the imports rose to 182,162,131 lbs. Again the average rate was increased, this time to 90c, per 100 lbs. Despite of this, the import rose to 252,393,718 lbs., by which time the tariff had ceased to affect the importation. By the act of June 30, 1864, over one-third more duties were now imposed. This threw the import of 1865 back to 130,834,229 lbs. A year's rest from any further tariff influences, however, enabled the import to recover in 1867 to 207,576,556 lbs.

In this instance the combined increase of duties have, as has been shown, operated as a check upon the ordinarily included in the classification for a case of steel it was a three years lock importation, but to diminish it to diminish it, although enough

contended that the principle laid down, that the importation of a commodity by means of an increase of protection is impracticable—has

been fully proved; in other words, that it is not possible by means of a tariff of duties to alter those relative conditions of production which, without any tariff at all, naturally exist between a commodity manufactured abroad and in this country, no matter what those conditions may be. The statistics adduced are of the highest authority, and their correctness cannot be questioned. The quantities were derived from the liquidated entries and were those upon which the duties were finally predicated, and upon which were based the cash settlements of the collectors of customs with the Treasury Department.

The only reply that can be made to the inductions they present is that the duties are not high enough yet, and that if they are placed still higher, they will effect the object sought after. The insufficiency of this reply is, obvious enough when it is recollected that the present duties are the result of some thirty or forty consecutive attempts to secure protection by means of the tariff. The first of these attempts, made in 1789, consisted of a duty of five per cent, upon all iron. This rate was thought at the time to be sufficient to equalise the difference between foreign and domestic iron, and to secure a home monopoly to the latter. In the following year this rate was raised to seven and a half per cent, on manufactured iron; in 1792, to ten per cent on all iron; in 1794, to fifteen per cent; in 1804, to seventeen and a half per cent; in 1812, to thirty per cent; in 1816, to still higher rates; in 1824, to still higher rates; in 1828, to still higher rates, namely, \$12 50 per ton on pig iron, \$36 per ton on bar and rolled iron, and 25 per cent on other manufactured iron; when they were afterwards lowered, and alternately increased, through a long series of years, untill they were at last raised up to the exorbitant rates shown in the foregoing tables, and always with the same result, namely, the recurrence of the importation after a short period following the imposition of the increased duty.

A still further inference, one of no little importance to our manufacturers, is to be derived from these statistics. If, as is believed to be fully proved, the tariff is impotent to effect a permanent home monopoly to their manufactures, it follows that such of them as have continued to exist at all have existed without assistance from the tariff, and consequently are able to exist in future without any assistance, real or supposed, from this source, in point of fact they exist despite the tariff, because an increase of duties is seldom or never effected without subjecting the manufacturers to some, often to a very considerable, expense; and upon further consideration does it not seem strange that in a country where there are large deposits of iron ore and equally large deposits of coal in close contiguity, that domestic iron cannot be laid down in our markets as cheaply as foreign iron, laden as the latter is with heavy charges of freights, commissions, and profits? Labor per diem is dearer in this country. It is true, but it, perhaps, is also more efficient. Yet, however this may be, it remains to be proved, that the various manufactures of iron and steel enumerated in the foregoing exhibit have derived any permanent support whatever from the tariff, the latter having failed in any instance to check or diminish the importation of the foreign article, except for a brief interval following the imposition of the increased duty; and it follows that the domestic manufacturers of these articles have existed not because of, but not withstanding, the tariff.

In view of these matters it certainly appears that sound policy demands in future the rejection of any other consideration in connection with the amount and source of the public revenues but those in the interest of the people at large.

I am, sir, yours respectfully,

ALEXANDER DELMAR, Director.

THE ALABAMA TREATY.

Some needless uneasiness has prevailed since the rejection on Tuesday by the Senate of the Alabama protocol, which was negotiated between Mr. Reverdy Johnson and Lord Clarendon. The reasons for this unusual action are clearly presented in Mr. Sumner's elaborate speech which was published on Thursday. That these reasons were convincing is sufficiently evident from the fact that with a single exception every vote of the Senate, without regard to political party was recorded against the treaty. We need not advert to these arguments in detail. The main principle involved in them all is this, that the treaty regarded the outrages of the Southern cruisers as directed against the individual citizens of this country, and left out of sight the paramount question that these outrages were national and political as well as individual.

From beginning to end this treaty aims at a settlement of individual claims on both sides, the one being a set off against the other. This great national difficulty is thus made to shrink from its due proportions into a petty insignificant quarrel between a few scores of private citizens in Great Britain and in the United States. The affronted honor and majesty of the United States is not regarded in the treaty. Hence, even the Confederate bondholders suppose themselves to be included in its provisions. Mr. Sumner cited from an English journal a statement that the claims of these bondholders were founded on immense quantities of cotton worth at the time of its seizure forty cents a pound, which being in the legal possession of the bondholders

other destroyed property before the Confederate loan went up from us as the treaty was signed. Mr. Sumner's elaborate exposition of this policy showed that the treaty as it stands would rankle in the breasts of the nations which would produce mischievous effects. Like the bottom of the sea, it might be never.

We presume that Mr. Motley, our new minister to England, will at some early date open negotiations for another treaty. It is only fit that full instructions should be drawn up for his guidance on two points. First, as to the nature and extent of the losses for which we claim reparation from the British Government. These losses it is almost impossible for us to estimate. Our ships were driven from the ocean; our carrying trade passed into the hands of other nations; our merchants were panic-stricken; the rates of insurance were doubled and our mercantile marine was almost annihilated. Mr. Sumner quoted from a report of Mr. F. H. Morse, U. S. Consul at London, dated January 1, 1868, the evidence on this point as follows:

On the breaking out of the rebellion in 1861, the entire tonnage of the United States, coasting and registered, was 5,589,513 tons, of which 2,642,625 tons were registered and employed in foreign trade, and that, at the close of the rebellion in 1865, notwithstanding an increase in coasting tonnage, our registered tonnage had fallen to 1,625,28 tons, being a loss during the four years of more than a million tons, amounting to about forty per cent of our foreign commerce. During the same four years the total tonnage of the British Empire rose from 5,895,869 tons to 7,322,604 tons, the increase being especially in the foreign trade. The report proceeds to say that, as to the cause of the decrease in America, and the corresponding increase in the British Empire, there can be no room for question or doubt.

Conceding to the rebels the belligerent rights of the sea when they had not a solitary war ship afloat in dock, or in the process of construction, and when they had no power to protect or dispose of prizes, made their sea-rovers, when they appeared, the instrument of terror and destruction to our commerce. From the appearance of the first corsair in pursuit of their ships, American merchants had to pay not only the marine but the war risk also on their ships. After the burning of one or two ships with their neutral cargoes, the ship-owner had to pay the war risk on the cargo his ship had on freight as well as on the ship. Even then, for safety, the preference was, as a matter of course, always given to neutral vessels, and American ships could rarely find employment on these hard terms, as long as there were good neutral ships in the freight markets. Under such circumstances there was no course left for our merchant ship-owners but to take such profitable business as was occasionally offered them, let their ships be idle at their moorings or in dock with large expense and deterioration constantly going on, to sell them outright when they could do so without ruinous sacrifice or put them under foreign flags for protection.

Mr. Sumner proceeded to show that "beyond the actual loss to the national tonnage, there was a further loss in the arrest of the natural increase of our shipping industry, which an intelligent statistician puts at five per cent annually, making in 1866 a total loss on this account of 1,384,958 tons, which must be added to 1,229,035 tons actually lost. The same statistician, after estimating the value of a ton at \$40, gold, and making allowance for old and new ships, puts the sum total of national loss on this account at \$110,000,000." By the payment by England of this sum Mr. Sumner seems to think that satisfaction will be made for the injuries which the British pirates inflicted on our private citizens.

Secondly, there remains the political reparation which can be made by no payment of dollars and cents, but must be provided for by treaty stipulations which shall prohibit future piratical expeditions and modify

the existing code of acknowledged international law between the two countries. We have often discussed these principles with Great Britain. And it will be a happy result of these tedious and protracted negotiations if we can settle and fix on more enlightened principles the code of international law regulating the duties and rights of neutrals and the claims and obligations of belligerents. Mr. Sumner quotes freely from various authorities on international law. But it is evident that these treatises on international jurisprudence have been sadly neglected and their teachings defied in the treaties on which rests the binding force of positive international law, as accepted and enforced among nations in modern warfare.

ERIE RAILWAY.

The main line of the Erie Railway, including the New Jersey leases, has a length from Jersey City to Dunkirk of 460 miles. It has branches from Suffern (32 miles north of Jersey City) to Piermont, 18 miles from Freycourt (54 miles from Jersey City) to Newbury, 19 miles, and from Hornellsville (332 miles from Jersey City) to Attica, 60 miles, at the latter place connecting with the Buffalo, New York and Erie Railroad. These lines aggregate 557 miles, and have connected with them 218 miles of second and 171.6 miles of side track and turnouts, making the total length of equivalent single track owned by the Company 946.6 miles. Besides this, the leases held by the Company cover an extent of 216.5 miles, on which there is 33.5 miles of second track, sidings, &c. The Company also operated in 1867-'68 at fixed rates per mile—the Warwick Valley Railroad 10 miles, the Montgomery & Erie Railroad 10½ miles, the Middletown, Union & Watergap Railroad 14 miles, and the Jefferson more recently taken a lease of the which it is now operating. The Erie se of the Atlantic & Great Western liary leases (if any) are not accounted mpany.

Several lines owned, leased and oper-

	1864.	1865.	1866.	1866-7.	1867-8.
.....	587.6	557.0	557.0	557.0	557.0
.....	191.5	203.0	208.0	213.5	218.0
....	145.0	157.0	159.0	165.5	171.6
....	<u>893.5</u>	<u>919.0</u>	<u>924.0</u>	<u>935.0</u>	<u>946.6</u>

The leased lines are as follows :

Buffalo, New York and Erie RR	140 0	140.0	140.0	140.0	140.0
Rochester and Gen. Valley RR.....	18.0	18.0	18.0	18.0	18.0
Chemung RR.....	17.5	17.5	17.5	17.5	17.5
Canandaigua and Elmira RR.....	43.5	43.5	43.5	43.5	43.5
Hawley Branch RR.....	16.0	16.0	16.0	16.0	16.0
Buffalo, Bradford & Pittsburg RR.....	....	....	25.0	25.0	25.0
Total leased line.....	340 0	340.0	316.5	316.5	316.5
Second track and sidings.....	19.0	21.0	30.8	31.0	33.5
Total equivalent, single track.	359.0	361.0	347.3	347.5	350.0
Aggregate equivalent single track	1152.5	1180.0	1170.7	1182.5	1196.6

The rolling stock owned and operated by the Company in 1867-68 consisted of 371 locomotives and 6,343 cars; of the latter 187 were passenger cars, 300 emigrant, baggage, milk and express cars, 3,268 box, milk and oil freight cars, 11,403 platform freight cars and 1,185 coal cars. In the following table we give the number of engines and cars owned at the close of the five years, 1864-68 :

Locomotive engines.....	1864. 376	1865. 393	1866. 371	1867. 371
Cars :				
Passenger.....	114	133	180	190
Emigrant, baggage, etc.....	247	264	454	450
Box, cattle, milk and oil..	2,648	2,976	3,023	3,104
Flat	1,180	1,313	1,339	1,299
Coal.....	540	584	991	8.4
Total number of cars.....	4,714	5,460	5,927	6,027

In 1867 the fiscal year which previously had closed December 31, closed September 30. This change was made so as to comply with the S law requiring all companies to report for the year then ending. In the table which follows we give a summary of the operations of the company and their results for the five years closing September 30, 1868 :

Miles run by trains.....	1864. 6,918,324	1865. 6,838,028	1866. 7,109,129	1867-68. 6,458,879	1868. 6,221,114
Passengers carried.....	1,785,698	2,175,965	2,314,813	2,345,120	2,111,114
Freight moved, tons	2,214,206	2,584,791	2,871,505	2,484,546	2,111,114
Passenger mileage.....				122,494,341	124,211,114
Freight mileage.....				549,888,423	505,888,423
Gross Earnings.					
{ Passengers.....	3,002,108	4,401,864	3,148,290	2,331,812	2,551,114
{ Freight.....	10,242,897	11,916,540	11,361,643	11,304,688	10,621,114
{ Mail	101,352	101,352	129,456	120,714	14,114
{ Miscellaneous.....	88,196	82,958	57,025	49,977	6,114
{ Total.....	13,429,648	16,462,296	14,596,413	14,317,219	14,177,114
Operating Expenses.					
{ Passenger.....	2,330,171	2,369,684	2,088,859	2,310,794	2,111,114
{ Freight	6,641,114	8,365,811	7,764,231	8,100,438	8,011,114
{ Total.....	8,961,285	11,735,495	10,853,140	10,311,217	10,122,114
Net revenue.....	4,468,363	4,726,801	3,743,273	4,006,002	3,955,114
Earnings per mile of road.....	18.839	20.655	18.888	18.498	18.114
Expenses " "	11,943	14,748	14,023	13,322	14,114
Profits " "	6,906	5,907	4,865	5,176	4,000
Expenses—per cent.....	68.78	71.40	74.35	73.01	77.4

The general income account shows what disposition has been made of the net earnings in the same years, and as follows :

	1864.	1865.	1866.	1866-67.	1867-68
Balance from last year	\$ 777,818	\$ 857,870	\$ 620,554	\$ 856,408	\$ 800,029
Net earnings	4,468,858	4,707,283	3,743,273	4,006,996	3,244,583
Total resources	5,246,676	5,565,203	4,363,827	4,863,404	4,044,612
Interest on bonds	1,231,806	1,399,770	1,631,078	1,671,558	1,672,303
Costs of railroads	182,400	182,400	567,412	567,519	493,249
Cost of Long Dock	125,184	165,690	165,690	170,810	206,151
General revenue taxes	523,814	561,250	200,215	100,565	112,953
Taxes on real estate	259,819	225,416	246,335	278,839	251,550
Costs of Ferry	84,160	22,949	.....	11,685	.....
Costs of cars .....	.....	49,329	96,181	252,261	247,876
Costs of damage	83,793	20,264	81,331	24,546	124,508
Costs of N. Y. & E. RR., etc.	203,237	488,694	.....	.....	73,698
Costs of L. Erie steamers .....	.....	.....	.....	.....	85,991
Total disbursements	2,536,182	3,184,764	3,185,614	3,065,412	3,221,911
Dividend fund	2,689,994	2,440,439	1,223,185	1,807,192	822,701

The dividend fund was disposed of as follows :

Dividends	1,872,621	1,819,881	567,305	567,905	567,305
Tax on dividend .....	.....	.....	.....	29,863	.....
Balance to next year	857,870	620,554	660,880	800,029	255,396

The returns for 1866-67 include and duplicate the amounts for the three last months of the year 1866. The income balance carried to 1866-67 that of September, 1866.

The general balances of the company, showing their financial condition as of October 1, 1864-1868 inclusive, are shown in the following abstract :

	1864.	1865.	1866.	1867.	1868.
Capital—common	\$15,400,100	\$16,570,100	\$16,573,300	\$16,574,800	\$17,765,000
preferred	8,535,700	8,525,700	8,556,910	8,536,910	8,536,910
Total capital stock	\$24,935,800	\$25,105,800	\$25,111,210	\$25,111,210	\$26,301,910
.....	.....	.....	3,000,000	3,000,000	3,000,000
.....	.....	.....	4,000,000	4,000,000	4,000,000
.....	.....	.....	6,000,000	6,000,000	6,000,000
.....	.....	.....	4,441,000	4,441,000	4,441,000
.....	.....	.....	926,500	926,500	926,500
.....	.....	.....	186,000	186,000	186,000
.....	.....	.....	500	500	500
.....	.....	.....	3,873,520	3,873,520	4,814,000

.....	\$22,429,920	\$22,429,920	\$23,000,000	.....	.....
.....	4,864,152	4,841,858	6,223,000	.....	.....
.....	1,171,112	1,181,217	500,000	.....	.....
.....	660,880	800,029	822,701	.....	.....
.....	\$24,287,874	\$24,319,862	\$27,109,523	.....	.....

.....

.....	\$44,885,739	\$42,247,770	\$56,486,603	.....	.....
.....	226,947	236,847	226,847	.....	.....
.....	250,439	303,047	800,000	.....	.....
.....	61,078	72,678	424,745	.....	.....
.....	4,140	4,140	1,272,177	.....	.....
.....	2,445	84,340	.....	.....	.....
.....	994,151	1,110,424	88,109	.....	.....
.....	1,187,416	1,027,210	12,502,698	.....	.....
.....	1,764,146	1,642,494	3,066,690	.....	.....
.....	847,010	639,973	2,063,717	.....	.....
.....	.....	.....	463,500	.....	.....
.....	.....	.....	10,000	.....	.....
.....	\$24,287,873	\$24,319,862	\$27,109,523	.....	.....

The common stock, including converted scrip, amounted in March, 1869, to \$57,765,300. This is the sworn statement of Jay Gould, Esq., President of the company, and includes the whole series of issues, less amounts recalled and canceled. The disposition of the increase (\$11,463,090) in a few months is one of the most extraordinary transactions ever witnessed in financial circles, and forbids the thought of the Company's stock receiving ever an ultimate dividend. The fluctuations of the Company's stocks (lowest and highest prices) at New York, monthly for five years are shown in the following tabulation:

COMMON STOCK.

Months.	1868-4.	1868-5.	1868-6.	1868-7.	1867-8
October.....	106½@110½ 86	106½@110½ 86	106½@110½ 86	81½@95	83½@93½
November.....	99½@110½ 88	106½@110½ 86	106½@110½ 86	80½@96½	80½@97½
December.....	103½@104 8	106½@110½ 86	106½@110½ 86	85½@94½	71
January.....	106½@112 86	106½@110½ 86	106½@110½ 86	85½@98	71½
February.....	107 124½ 88	106½@110½ 86	106½@110½ 86	85½@91	87½
March.....	111 126½ 44	106½@110½ 86	106½@110½ 86	82½@91½	85½
April.....	107 128 50	106½@110½ 86	106½@110½ 86	83 84	85½
May.....	107 117½ 88	106½@110½ 86	106½@110½ 86	18½@85½	88½
June.....	110½@118 70	106½@110½ 86	106½@110½ 86	89½@97½	88
July.....	108½@118 71	106½@110½ 86	106½@110½ 86	86½@97½	87½
August.....	108½@118½ 71	106½@110½ 86	106½@110½ 86	86½@96½	85½
September..	98 109 88	106½@110½ 86	106½@110½ 86	89 91½	86
Year.....	98 126½ 44½@104½	106½@110½ 86	106½@110½ 86	82½@96	85½

PREFERRED STOCK.

Months.	1864-5	1865-6.	1866-7.	1867-8
October.....	100 104	82 88	79½@87	75
November.....	100 106½	82 84½	80½@86½	77
December.....	99½@105	84½@86	83 88	78
January.....	91 101	81 87½	82 88	78
February.....	90 98	80 82½	70 73	78
March.....	70 90	80 83½	69 73	76
April.....	77 92	74½@80½	68½@72	80
May.....	82 90	74 80	72 78	74
June.....	81½@85	72 76	73 76½	75
July.....	85 89½	72½@78	75½@78	74½
August.....	80 81½	72½@79	76 79	88
September..	82 86	75 83	74 76½	88
Year.....	99½@116	76 106½	72 86½	68½@87

The prices of the common stock were—in October 38@49½, in November 35½@54, in December 37½@41, in January 38@40½, in February 38@38; and of the preferred stock—in October 65@7, November 59@65, in December 60@65, in January 61½@64.

RAILROAD EARNINGS FOR MARCH.

The spring opens with unusual indications of prosperity to our rail interest. Large crops throughout the West, and the growing demand of the country through which the roads pass, have resulted in decidedly increased earnings, the total for March of the companies give below being \$1,196,171 in excess of the same month last year and \$1,130,728 in excess of March, 1867. This improvement in

earnings, together with the anticipation of increased trade on the opening of the Pacific Railroad, are the basis for the upward movement in prices which has developed so strongly of late. What effect the lower quotations for Breadstuffs will have on the traffic receipts cannot of course be determined. It is claimed, however, by some who are usually good judges, that the earnings are likely to show a less percentage of increase during the remainder of the year, farmers, with the present high freights and low prices, finding it more profitable to feed out their grain and send it to market in beef and pork. This feeling may increase, and of necessity result in lower freights, which would again affect unfavorably the earnings. But, on the other hand, the West is not in the same condition it was a few years since. Houses and even villages have sprung up all along the routes of these roads, so that the local business has multiplied many times and is destined to show a rapid development in the future. Besides, after a time we may rightly expect a large movement from the Pacific, which will impart more or less activity to all connecting lines. Some anticipate this as the immediate result of the opening of the Pacific road; we do not, however. It will take time to change the channels of trade. But the end is by no means uncertain. A large share of the Eastern trade and travel will pass across our continent at no very distant day, and all our roads leading to the West must be benefited by it. The earnings for March and the total of each road since January 1 are as follows:

RAILROAD EARNINGS FOR MARCH.

	1899.	1908.	Inc.	Dec.
Chicago & Alton.....	\$393,648	\$387,094	\$125,554	...
Chicago & Northwestern.....	1,149,258	850,192	293,066	...
Chicago, Rock Island & Pacific.....	898,701	262,809	185,900	...
Illinois Central.....	711,668	444,448	307,115	...
Marietta & Cincinnati.....	103,338	98,483	6,076	...
Michigan Central.....	286,527	326,860	59,647	...
Michigan Southern.....	458,481	381,497	71,984	...
Minneapolis & St. Paul.....	420,774	383,281	67,493	...
Ohio & Mississippi.....	22,459	263,903	...	\$14,446
Peoria, Ft. Wayne & Chicago.....	745,503	689,317	55,185	...
St. Louis, Alton & Terre Haute.....	175,950	149,165	26,785	...
Toledo, Wabash & Western.....	352,704	263,269	89,445	...
Western Union.....	84,657	39,191	15,866	...
Total.....	\$5,587,677	4,871,608	1,196,071	...

EARNINGS FROM JANUARY 1 TO APRIL 1.

1869.	1868.	Inc.	Dec.
			.
			.
			.
			.
			.
			.
			4
			.
			.
			.
			.

The above table shows that the improvement during the month has, been on every road in the list, with but one exception. One circumstance should, however, be remembered, and that is, that the weather during March this season has been much more favorable for railroad traffic than the corresponding month of 1868.

MICHIGAN SOUTHERN AND NORTHERN INDIANA RAILROAD

The reports of this Company in fullness and consequently in usefulness are not exceeded by those of any other Company in the United States, and what gives additional interest to them is the promptness of their publication. The Company's fiscal year ends with February, and an elaborate statement of the year's business is furnished early in April, showing that the managers of the property are well disposed toward their clients and desirous that their affairs should not remain in doubt or be misunderstood. The comparative returns which we now are able to give will therefore be of the highest value to stockholders. They show a very great increase in the yearly earnings, and the final balances are very satisfactory.

The lines belonging to the M. S. & N. I. Company are as follows:

	Miles
Toledo, via White Pigeon to Chicago	243.75
Toledo, via Air Line to Elkhart	133.20
Toledo, via Monroe to Detroit	64.75
Adrian to Monroe Junction	36.00
Adrian to Jackson	46.00
White Pigeon to Constantine	4.12

In several instances these amounts are duplicated, and to a small extent leased or rented: again, the Constantine branch is leased to the St. Joseph Valley Company, but the total length of line owned by the M. S. & N. I. Company is 516.56 miles. The Company also owned conjointly with the Rock Island Company 2.42 miles of road, viz: from Junction into Chicago. The length of side track on the Company's lines is 70.57 miles. The trains on the Detroit line pass over the Detroit and Milwaukee Railroad from the Junction, 3.21 miles into Detroit.

The equipment of the roads is well kept up, each year showing a material increase in the number of cars. The substitution of new and more powerful engines has also given increased capacity to the road, making the means of transportation fully equal to the demands of the business at present offering. The favorable geographical position of the several lines and their growing business, however, will at no distant period necessitate the laying of a second track and a corresponding increase in rolling stock. The number of engines and cars on the lines

at the commencement of 1865 and the close of 1865-69 inclusive, is shown in the following statement:

	Mar. 1. 1864.	1865.	Close of February.			
			1866.	1867.	1 68.	1869.
Locomotives.....	86	97	98	101	99	..
Passenger cars—1st class.....	59	61	62	64	65	73
2d class	8	9	10	10	9	8
Emigrant	6	4	4	5	44	13
Baggage, mail &c.....	23	22	22	23	30	22
Military, drovers, &c.....	15	27	24	23	26	26
Freight—caboose .....	..	..	25	23	22	27
Stock.....	96	170	183	214	233	233
Box.....	605	906	853	856	965	965
Flat.....	231	259	290	237	320	321

The Company also own a full assortment of wrecking, tool and gravel cars, &c. Of the passenger cars in 1869, twenty were 12-wheel and eleven sleeping; and of the latter, three were 16-wheel, six 12-wheel cars. The freight cars, with the exception of seven old 8-ton cars, are of 10-ton capacity. It is no exaggeration to state that the car capacity of the road has doubled in the last five years.

The “Doings in Transportation,” as illustrated by the mileage of trains, passengers and freight, and the earnings from, and expenses on account of, operations, are shown in the following table for the years ending with February, 1865-1869, both inclusive:

MILES RUN BY ENGINES WITH TRAINS.

	1865.	1866.	1867.	1868.	1869 :
Passenger	785,246	833,788	862,897	862,017	982,516
Freight	1,151,612	1,131,562	1,234,444	1,308,165	1,466,670
Other.....	250,226	211,275	237,852	216,560	217,965
Total.....	2,187,124	2,161,615	2,336,193	2,387,389	2,667,191

NUMBER OF PASSENGERS AND MILES OF TRAVEL.

Westward.....	430,566	477,751	448,879	449,190	481,703
Eastward.....	400,799	437,724	432,809	402,998	410,948
Through. ..	135,197	142,699	117,010	124,110	141,967
Local	696,168	772,776	729,658	724,078	781,584
Total.....	831,865	915,475	846,698	822,188	922,551
Through travel (100 miles). ..	332,602	351,055	287,503	316,150	346,593
Local travel (100 miles).....	282,123	343,729	237,731	287,775	305,066
Total travel (100 miles)....	614,725	694,734	575,239	603,926	651,659

TONS OF FREIGHT AND MILES OF TRANSPORTATION.

Through—westward.....	68,038	73,503	106,716	91,653	122,266
Through—astward	126,631	137,636	197,706	194,300	220,133
Total through.....	194,669	211,144	304,472	286,453	342,399
Way—westward.....	103,891	120,334	150,967	177,531	200,489
Way—eastward	228,941	237,862	244,376	271,454	303,695
Total way.....	332,832	358,196	395,313	448,985	504,184
Through and way	527,501	569,310	699,7 5	735,438	846,583
Tons carried 100 miles.....	778,325	831,449	1,071,934	1,101,636	1,269,320

EARNINGS FROM, AND EXPENSES OF, OPERATIONS.

Passenger.....	\$1,875,061	\$2,021,247	\$1,740,337	\$1,689,107	\$1,722,356
Freight..	2,242,772	2,455,403	2,681,900	2,725,250	2,024,620
Other	171,482	209,795	241,956	332,882	275,623
Total earnings.....	\$4,289,465	\$4,686,445	\$4,672,193	\$4,747,219	\$3,024,165
Operating expenses.....	2,408,352	2,749,656	3,063,706	2,866,367	2,978,075
Net revenue.....	\$1,881,113	\$1,936,788	\$1,609,487	\$1,880,852	\$2,046,090
Earnings per passenger.....					
per mile.....	2.75	2.86	3.02	2.80	2.64
Earnings per ton per mile.....	2.83	2.90	2.50	2.43	2.31
Expenses to earnings	56.14	58.61	65.56	60.38	50.25

The general results of the years 1868-9, as shown in the income account, were as follows :

Net earnings.....	\$2,046,029 70	Interest on bonds.....	\$516,699 25
Cash, March 1, 1868.....	489,976 85	Rent Erie and Kal. RR ..	30,000 00
Capital stock, increase.....	1,297,003 75	axes, State & National	161,573 16
Decrease of supplies, &c.....	206,894 18	Contribution to s'k'g fund.....	162,000 00
162 S. F. bonds, used for sinking fund.....	162,000 00	Interest and exchange.....	2,815 59
		Div. 10 p. c. on guar sto k.....	53,350 00
		" 8 p. c. on com. stock.....	987,756 79
		Construction.....	403,256 52
		Equipment.....	192,790 08
		D. M. & Toledo stock	400 00
		Prem. on conv.of guar sto k.....	15,810 00
		Back dividends.....	1,290 00
		Cin., Peru & Chicago b'ds extinguished in stock.....	125,000 00
		Old claims paid in stock	17,983 97
		Stock div. 10 p. c. & tax	1,077,921 05
		Cash, March 1, 1869	372,859 03
Total.....	\$4,201,904 48	Total	\$4,201,904 48

The financial condition of the company as given on the balance sheets of March 1, 1865-69, inclusive, is shown in the following abstract :

	1865.	1866.	1867.	1868.	1869.
	\$	\$	\$	\$	\$
Stock—common	7,586,600	9,381,800	9,813,500	10,059,400	11,592,100
" guaranteed	2,183,600	1,039,700	787,710	384,800	522,009
Funded debt.....	8,564,115	8,537,175	9,135,840	9,038,640	8,876,560
Bills payable.....	85,000	235,000	84,133	.....	.....
Due for guaranteed stock.....	250,078	.....	.....	.....	.....
Dividends and coupons.....	43,326	26,864	218,117	32,071	33,516
Operating accounts.....	881,498	802,107	484,701	224,406	204,324
Profit and loss.....	.....	.....	.....	810,279	863,731
Total.....	18,994,217	19,672,646	20,473,971	20,762,597	22,113,653

Against which amounts are charged the following, viz :

Railroad.....	13,619,185	13,619,185	14,333,563	14,654,881	15,130,159
Equipment.....	1,644,259	1,644,259	2,669,517	2,865,317	3,652,607
D. M. & Toledo RR Co.....	1,291,968	1,291,968	1,291,968	1,291,968	1,291,968
D. M. & Toledo stock.....	406,800	409,500	404,500	411,700	412,100
Permanent property.....	16,962,212	16,964,912	18,734,548	19,224,366	20,896,814
Fuel and material.....	670,373	547,025	658,528	725,436	484,037
Available assets.....	402,036	200,259	526,767	799,793	530,191
Nominal assets.....	72,656	158,000	151,000	3,000	.....
Profit and loss....	886,940	1,802,447	433,148	.....	.....
Total	18,994,217	19,672,646	20,473,971	20,762,597	22,113,653

The funded debt, as above comprises the following issues :

	1865.	1866.	1867.	1868.	1869.
N. S. 7 th , Nov. '60	1,000				
N. J. 7 th , Aug., '61	5,000	4,000	4,000		
E. & K. 7 th , Mar. '62	88,000	87,000			
J. Br. 7 th , Aug., '63	77,000				
Goshen 7 th , Aug., '68	681,000	651,000	651,000	657,000	2,000
D. M. & Toledo 7 th , Feb. '75	734,000	734,000	921,000	924,000	924,000
1 st gen. mort. 7 th , May, '85	5,708,000	5,872,000	6,022,000	6,091,000	6,728,000
3 ^d gen. mort. 7 th , Nov. '77	2,194,500	2,254,500	2,693,000	2,693,000	2,693,000
N. I. 7 th , 1863	7,000	1,000			
Scrp	2,615	1,675	840	840	580
Total	9,488,115	9,534,175	10,294,640	10,343,640	10,348,580

The commissioners of the sinking fund for the 1st general mortgage held March 1, 1869, said bonds to the amount of \$1,472,000. The sum of bonds shown in balance sheet is less by this amount. The prices of the common stock of this company have ranged from 7 in 1860 to 113 in 1863. The monthly range of prices in the New York Market during the last five years is shown in the following tabulation :

	1864.	1865.	1866.	1867.	1868.
January	84½ @ 90	61 @ 75	65½ @ 75½	@ 81½	88 @ 88½
February	88½ @ 99	63½ @ 79	66½ @ 71½	@ 75½	86½ @ 94
March	98 @ 118½	49½ @ 67	64½ @ 84½	@ 71½	87½ @ 93½
April	84½ @ 118½	50½ @ 71½	78 @ 101	@ 74½	85 @ 91½
May	85½ @ 100½	55 @ 72½	77 @ 81½	@ 70½	82½ @ 91½
June	83½ @ 101	57 @ 65½	78½ @ 80½	@ 78½	89½ @ 98½
July	80½ @ 94½	69 @ 68	78½ @ 81½	@ 84½	88½ @ 98
August	82½ @ 92½	60½ @ 67½	84 @ 86½	@ 84½	83 @ 88½
September	71 @ 85	65½ @ 70½	82½ @ 87	@ 83½	81 @ 86½
October	57 @ 71½	68 @ 84½	87½ @ 93	@ 84½	83½ @ 91
November	68½ @ 77½	71½ @ 89	74½ @ 94	@ 82	80 @ 90
December	68½ @ 74½	78½ @ 78½	79 @ 83	@ 85½	84½ @ 89½
Year	57 @ 118½	49½ @ 84½	65½ @ 101	64½ @ 83½	80 @ 94

The guaranteed stock, which sold at 17 in 1860, attained to 165 in 1865. In the latter year, however, it carried accumulated interest. In 1866 only one sale of this stock was made at New York, and that at 140. No sales appear on the official lists for 1867 or 1868.

RAILROADS OF PENNSYLVANIA.

The table on the following page furnishes a complete abstract of the principal items of interest relating to the railroads of Pennsylvania, contained in the Report of the Auditor of that State, lately published. The reports are made for the year ending October 31, 1868.

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer returns in the Treasury Department, on the 1st of March, and 1st of April, 1869 :

DEBT BEARING COIN INTEREST.				
	March 1.	April 1.	Increase.	Decrease.
5 per cent. bonds.	\$221,589,800 00	\$221,589,800 00	\$.....	\$.....
6 " 1881.....	283,677,400 00	283,677,400 00	.....	.....
6 " (5-20's)	1,602,587,250 00	1,602,609,850 00	22,600 00	.....
Total	2,107,854,050 00	2,107,876,650 00	22,600 00	.....
DEBT BEARING CURRENCY INTEREST.				
6 per ct. (R.R.) bonds.. ..	\$53,937,000 00	\$56,852,870 00	\$2,915,870 00	\$.....
3 p. cent. certificates.....	57,140,000 00	54,005,000 00	.....	2,585,000 00
Navy Pen. F'd 3 p.c.....	14,000,000 00	14,000,000 00	.....	.....
Total	125,077,000 00	125,457,870 00	380,870 00	\$.....
MATURED DEBT NOT PRESENTED FOR PAYMENT.				
7-30 n. due Aug. 15, '67, J'e & J'y 15, '69	\$1,816,850 00	\$1,633,100 00	\$.....	\$183,250 00
6 p.c. comp. int. notes mat'd June 10, J'y 15, Aug. 15 Oct. 15, Dec. 15, 1867, May 15, Aug. 1, Sept. 1 & 15, and Oct. 1 & 16, 1868.....	3,422,460 00	3,220,690 00	.....	201,770 00
B'ds of Texas ind'ty.....	256,000 00	252,000 00	.....	4,000 00
Treasury notes (old).....	148,411 64	148,011 64	.....	400 00
B'ds of Apr. 15, 1842, Jan. 28, 1847 & Mar. 31, 1848	202,800 00	189,900 00	.....	12,900 00
Treas. n s of Ma. 3, 63.....	375,482 00	360,192 00	.....	15,290 00
Temporary loan....	189,010 00	188,510 00	.....	500 00
Certif. of indebt'ess.....	12,000 00	12,000 00	.....	.....
Total.....	6,422,463 64	6,003,403 64	\$.....	\$419,060 00
DEBT BEARING NO INTEREST.				
United States notes.....	\$356,021,073 00	\$356,065,155 00	\$44,082 00	\$.....
Fractional currency.....	36,781,547 50	36,675,830 00	.....	105,717 50
Gold certl. of deposit.....	23,775,560 00	21,672,500 00	.....	7,103,060 00
Total	421,578,180 50	414,413,485 00	.....	\$7,161,695 50

RECAPITULATION.				
	\$	\$	\$	\$
Bearing coin interest.....	2,107,854,050 00	2,107,876,650 00	22,600 00	.....
Bearing cur'y interest.....	125,077,000 00	125,457,870 00	380,870 00	.....
Matured debt	6,422,463 64	6,003,403 64	.....	419,060 00
Bearing no interest	421,578,180 50	414,413,485 00	.....	7,161,695 50
Aggregate.....	2,660,931,694 14	2,653,750,838 64	.....	7,180,835 50
Coin & cur. in Treas.....	115,594,799 76	111,005,993 54	.....	4,588,796 22
Debt less coin and currency	2,545,336,904 38	2,542,744,835 10	.....	2,592,049 28

The following statement shows the amount of coin and currency separately at the dates in the foregoing table :

COIN AND CURRENCY IN TREASURY.				
Coin	\$98,741,260 72	\$104,203,365 12	5,462,104 40	\$.....
Currency.....	16,838,529 04	6,802,628 42	.....	10,050,900 62
Total coin & cur'cy.....	115,594,799 76	111,005,993 54	.....	4,588,796 22

The annual interest payable on the debt, as existing March 1 and April 1, 1869, compares as follows .

ANNUAL INTEREST PAYABLE ON PUBLIC DEBT.				
	March 1.	April 1.	Increase.	Decrease.
Coin—5 per cents.....	\$11,079,463 00	\$11,079,463 00	\$.....	\$.....
" 6 " 1881.....	17,020,644 00	17,020,644 00	.....	.....
" 6 " (5-20's).....	96,155,241 00	96,156,597 00	1,356 00	.....
Total coin interest	\$124,255,350 00	\$124,256,706 00	\$1,356 00	.....
Currency—6 per cents.....	\$3,236,220 00	\$3,351,139 20	114,919 20	.....
" 3 "	2,184,200 00	2,058,150 00	.....	76,050 00
Total currency inter't....	\$5,370,420 00	\$5,409,289 20	\$38,869 20	\$

QUICKSILVER MINING COMPANY.

The following report of the operations of the company for the year 1868, shows that the production of quicksilver from the New Almaden mines, during the year 1868, was 25,628 flasks of 76½ lbs. each, being a monthly average of 2,135 flasks.

The production for each of the months was as follows :

January.....	3,000	August.....	2,000
February.....	3,001	September.....	1,600
March.....	2,501	October.....	1,600
April.....	2,000	November.....	2,262
May.....	2,000	December.....	1,664
June.....	2,000		
July.....	2,000	Total Flask.....	25,628

The operations of the company for the disposal of quicksilver during the first three months of the year, were carried on under the Barron contract of 1866. This contract expired by limitation on the 31st day of March last, at which time the company had on hand a surplus of 7,416 flasks of quicksilver. Mr. Barron declined to renew this, or to make any contract for the direct purchase of the quicksilver from the company ; and it became evident to the Directors that either a combination arrangement must be made with other producers of quicksilver in California, or a competition for the sale of quicksilver in the home and foreign markets would ensue, which could not fail to lower the price of the article and seriously injure, if not entirely destroy, all profits incident to its mining and manufacture.

After considerable negotiation, an arrangement for two years, from April 1, 1868, was entered into between the several quicksilver mining companies and Messrs. Barron & Co., of San Francisco, which was duly ratified by the Board of Directors.

This agreement was made between the following parties:—The Quicksilver Mining Company of New York, of the first part ; The Redington Quicksilver Mining Company of California, of the second part ; The New Idria Quicksilver Mining Company of California, of the third part ; and Messrs. Barron & Co., of San Francisco, of the fourth part. It recited that the parties thereto had united for the purpose of regulating, through the agency of the parties of the fourth part, the supply to the markets of the world, of quicksilver, the product of the mines of the parties of the first, second and third parts, for the period of two years, from and after the first day of April, 1868.

This agreement specifies and limits the production of the several mining companies, as near as may be, in equal monthly amounts, to the following quantities :

The Quicksilver Mining Company	24,000 flasks annually.
The Redington Quicksilver Mining Company ...	10,000 " "
The New Idria Quicksilver Mining Company.....	10,000 " "
Making an aggregate of.....	44,000 " "

—with a provision that, in case either party shall fail to furnish its proportion of the total quantity allotted, the others may proportionately make up any deficiency

It also made provision for the purchase of all the quicksilver then on hand in California and Nevada, owned by the several parties to the agreement.

It also provides for the purchase and sale by Messrs. Barron & Co., for the use and benefit of the combination, of the products of any other quicksilver mines in California or elsewhere. And under this section arrangements have been made for the product of the Santa Clara Mining Association, the San Juan Bautista Mining Company, and the Phoenix Quicksilver Company.

At the close of the contract the quicksilver on hand in California is to be divided between the companies, in the proportions in which the same shall have been delivered ; and the stock in other markets shall be closed out and accounted for by the agents, in accordance with the contract.

All advances, payments penalties and accounts are to be made and kept upon a gold coin basis, and the books of account of the said agency shall be always open to the inspection and examination of the other parties to the agreement. Any differences arising between the parties shall be determined by arbitration.

The proceeds of sales of quicksilver for the year were as follows :

Proceeds of 10,485 flasks, sold prior to April 1st, under the Barren contract, No. 1, at \$30.....	\$318,030 00
Proceeds of 5,056 flasks, sold from April 1st to December 31st, under Combination contract.....	182,242 71
Quicksilver Mining Company's proportion of profit in purchase and sale, by Combination of 2,704 flasks.....	13,194 29
Total.....	\$509,216 93

The financial condition of the company, as it existed on the 31st day of December, 1868, may be thus briefly stated :

LIABILITIES.

Advances upon Quicksilver, bearing interest at 6 per cent, 19,486 flasks, \$23 per flask.....	\$448,178 00
Call loans and bills payable in California, less cash and bills receivable, bearing interest at one per cent monthly.....	168,116 79
Bills payable in New York, interest at seven per cent, currency.....	25,000 00

ASSETS.

19,486 flasks of Quicksilver in agents hands, at present cash value, \$38 00.....	642,038 00
Working capital consisting of ore extracted, materials and miscellaneous property at the mines not appertaining to the real estate or covered by mortgage, as per inventory.....	218,513 15

The total value of the real estate, with improvements, and all personal property at New Almaden, and in San Francisco, belonging to the company, excluding the mine, but including the items above specified among the assets, amounts, by the inventory returned to the company December 31st, to the sum of \$572,175 95.

By an examination of these accounts, it will appear that at \$38 per flask for the remaining stock of quicksilver unsold (the average price for that sold under existing contract having equalled \$26 per flask), the financial condition of the company is improved \$148,979 23 since December 31, 1867, of which \$50,012 were paid in settlement of the Hepburn claim, to perfect the title to the property.

BALANCE SHEET, DECEMBER 31st.

	Gold.	Currency.
Convertible bond stock.....	\$.....	\$141,000 00
Real estate mining property, etc.....	432,230 00	1,159,295,645 17
Houses and lands.....	150,207 80	.....
Railroad.....	85,855 00	.....
Furnaces.....	117,500 00	.....
Machinery and tools.....	44,652 85	.....
Materials and supplies.....	129,921 70	.....
Miscellaneous property.....	15,203 10	1,000 00
Ore account.....	24,732 01	.....
Quicksilver, 19,486 flasks, at \$30.....	584,580 00	.....
G. F. Forest, Treasurer.....	56 61	1,322 39
Total.....	\$2,809,042 99	\$10,038,967 56
Capital stock.....	\$.....	\$10,000,000 00
First Mortgage Bonds.....	500,000 00	.....
Second ".....	1,000,000 00	.....
S. F. Butterworth, Manager.....	.....	.....
Advance Account.....	\$448,178 00	616,294 79
Call Loans.....	168,116 79	
Draft account.....	2,000 00	.....
Bills payable.....	.....	25,000 00
Income account.....	190,748 20	18,967 56
Total.....	\$2,809,042 99	\$10,038,967 56

WORKING ACCOUNT.

Expenses.

	Gold.
Mine pay roll.....	\$310,275 53
Hacienda pay roll.....	45,818 20
Miscellaneous expenses.....	40,284 59
Working supplies.....	105,275 27

SMITH & PARMALEE GOLD COMPANY.

A report of the affairs of this company states :

“ The Trustees, in entering upon their duties in January last, deemed it important to prepare as soon as possible a brief statement of the condition in which they found the property and finances of the company. This they have now done, and hereby communicate the result for your information. The financial statement is brought up to February 1st, 1869, when their new agent took charge of the mines, and covers a period of five years from the organization of the company.

The leading facts presented by this statement are as follows :

That taking the five years together, the receipts from the mines have been less than the expenses by \$122,248 85, or an average loss of about \$24,000 a year.

That while the entire proceeds of the sale of the Treasury Stock—less the dividend of \$42,900 paid in 1864, (\$23,870 to the then Trustees themselves,) there is still a balance of indebtedness of the date of 1st February last, of \$13,801 83, and also further liabilities ascertained and contingent (r in suit) for the purchase in part of the New York Gold Company of Colorado, mining property of \$29,744 more, amounting all to \$48,045 83.

That the problem of the possible profitable working of the Mines, by the present machinery, remaining unsolved, and yet to be demonstrated, some provision must be at once made by a preferred stock or mortgage, not only to meet the present indebtedness, of some \$48,000, but for the further sum of \$35,000, to put the mining works and machinery in good working order, and provide an adequate working capital for their important business operations.”

Financial Statement February 1st, 1869.

MINING ACCOUNT PROPER—EXPENDITURES, FIVE YEARS.		RECEIPTS.	
Machinery and mining 4 years and 11 months.....	\$601,545 56	From mines, 4 years 11 months...	\$534,615 03
Payments in New York.....	29,471 0	“ “ & cash credit	
Expenses for Jan., 1869	20,569 92	January.....	10,187 72
Liabilities outstanding 1st Feb., 1869	25,065 2	Re-sale of old machinery.....	9,625 18
Total.....	\$676,671 23		\$554,427 83
		Deficit or loss.....	\$122,248 85

TREASURY STOCK ACCOUNT.

Receipts from sale of stock, 1864.....	\$51,526 12	
“ “ “ “ 1866.....	63,048 68	
“ “ “ “ 1868.....	25,778 65	\$140,353 45
Profit on Treasury notes, &c.....		9,054 00
		\$149,407 45

PAYMENTS.

Two dividends (1864).....	\$42,940 00	
500 shares stock	2,525 43	\$45,465 43
		\$108,948 02
Amount of liabilities above from receipts all sources.....		\$13,801 83
Notes given for New York Company property		29,744 00
Claims now in suit.....		20,000 00
		\$48,045 83
Amount of indebtedness ascertained and contingent....		
For repairs of mill and working capital.....		35,000 00
		\$83,045 83
Present capital stock, 160,000 shares of \$20 each		\$3,200,000

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.	Ag. clear'g.
January 2....	\$259,090,037	\$20,736,122	\$34,879,609	\$160,490,445	\$48,695,421	\$555,504,790
January 9....	258,792,562	27,834,780	34,844,156	187,908,539	51,141,128	707,772,051
January 16...	262,338,831	29,258,536	34,279,153	195,484,843	52,927,063	675,755,611
January 23...	264,954,619	28,864,197	31,265,946	197,101,163	54,022,119	671,224,542
January 20...	265,171,109	27,784,923	34,231,153	196,965,462	54,747,569	609,397,216
February 6..	266,541,782	27,989,404	24,246,426	196,602,899	53,424,133	670,222,470
February 13..	264,380,407	31,854,831	34,263,451	192,977,860	52,334,953	690,754,499
February 21..	263,424,064	23,351,391	34,247,321	187,612,546	50,997,197	707,991,049
February 27..	261,371,597	20,832,603	34,247,981	185,216,175	50,835,054	529,516,021
March 6....	262,089,833	19,426,634	34,275,835	182,604,437	49,145,369	727,163,121
March 13.....	261,469,695	17,353,671	34,690,445	182,392,453	49,639,625	639,177,566
March 20.....	263,098,302	15,213,306	34,741,310	183,504,999	50,774,874	730,710,003
March 27.....	263,999,589	12,013,722	34,777,814	180,113,910	50,555,103	797,867,688

PHILADELPHIA BANK RETURNS.

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.. .. .	\$51,716,999	\$352,483	\$13,210,397	\$38,121,023	\$10,593,719
January 11.....	51,642,237	544,691	13,496,109	38,768,511	10,593,373
January 18.....	52,122,733	478,462	13,729,493	39,625,158	10,596,560
January 25.....	52,537,015	411,897	14,054,670	39,555,463	10,592,914
February 1.....	52,632,813	312,782	14,396,570	29,677,943	10,599,351
February 8.....	53,059,716	337,011	13,735,595	40,080,299	10,596,532
February 15.....	52,929,391	104,681	13,573,043	38,711,575	10,581,256
February 22.....	52,416,146	221,307	13,208,607	37,990,986	10,458,346
March 1.. .. .	52,251,351	256,933	13,010,508	37,735,205	10,453,546
March 8.....	52,232,000	297,887	13,253,201	38,293,956	10,452,953
March 15.....	51,911,522	277,517	13,023,907	37,571,582	10,459,661
March 22.. .. .	51,323,419	225,097	12,765,759	36,966,009	10,461,406
March 29.....	50,597,100	210,644	13,021,815	36,863,344	10,472,430

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.....	\$98,423,144	\$2,203,401	\$12,933,331	\$37,538,767	\$25,151,345
January 11.....	100,727,017	3,075,844	12,864,700	38,032,391	25,276,657
January 18.....	102,205,209	2,677,658	12,992,327	39,717,193	25,342,383
January 25.....	102,959,942	2,394,710	13,223,874	39,551,747	25,272,300
February 1.....	103,696,152	2,161,284	12,964,225	40,273,462	25,212,947
February 8.....	104,342,425	2,073,908	13,452,795	39,693,887	25,242,057
February 15.....	103,215,024	1,845,524	11,642,156	37,759,722	25,332,129
February 23.....	102,252,632	1,545,418	11,260,790	36,323,314	25,304,033
March 1.....	101,309,539	1,238,936	11,200,149	35,469,466	25,301,527
March 8.. .. .	101,425,932	1,297,599	10,985,972	35,525,680	25,235,277
March 15.....	100,820,303	1,277,315	10,869,183	34,051,715	25,251,654
March 22	99,553,312	1,330,864	10,490,448	32,641,087	24,559,212
March 29.....	99,670,94	937,769	11,646,222	32,930,430	25,354,167

T H R
M E R C H A N T S ' M A G A Z I N E
A N D
C O M M E R C I A L R E V I E W

M A Y , 1 8 6 9 .

THE DECLINE IN BREADSTUFFS AND THE GENERAL TRADE OF THE COUNTRY.

The late heavy decline in the value of breadstuffs, though attended with results not immediately welcome to some interests, is yet one of the most auspicious features connected with our national industries that has occurred since the war. High prices of food mean high prices for products generally; for the reason that the cost of human sustentation regulates the cost of labor, and the cost of labor determines that of products. While, therefore, food was high, we could not have a healthy condition in the industries at large. Natural law, however, ultimately adjusts all industrial irregularities; and the late high prices of grain were infallibly prophetic of the lower prices we have now reached. If the war withdrew an undue proportion of population from the agricultural class, rendering farm labor scarce and the crops light; the consequent high prices of grain made agriculture exceptionally profitable, inviting labor from less remun-

erative employments, and attracting immigration from other countries. The rapidity with which this process has worked out conspicuous results is beyond what was generally anticipated, and illustrates the safety with which natural causes may be trusted to remedy irregular movements in production and commerce. The following comparison will show the decline in the prices of breadstuffs at New York within the last twelve months :

	April 23, 1869.	April 23, 1868.
Flour—		
Superfine.....	5 bbl. \$5 70 @ 5 60	\$3 40 @ 10 00
Extra fine.....	5 75 @ 6 15	10 75 @ 10 85
Shipping round hoo.....	5 90 @ 6 40	10 50 @ 10 60
Extra western, com on t'go d.....	5 70 @ 6 00	10 15 @ 11 50
Double Extra Western and St. Louis.....	6 65 @ 11 25	11 75 @ 16 00
Southern superfine.....	6 25 @ 6 65	10 40 @ 11 15
Southern, extra and family.....	7 00 @ 11 25	11 75 @ 15 25
California.....	7 10 @ 10 00	12 75 @ 4 50
Rye flour, fine and superfine.....	4 70 @ 6 70	8 50 @ 9 50
Corn meal.....	4 20 @ 4 75	5 75 @ 6 25
Wheat, spring..... per bu h.	1 25 @ 1 47	2 40 @ 1 70
Red Winter.....	1 30 @ 1 60	.. .. @ 1 35
Amber do.....	1 70 @ 1 75	2 90 @ 3 00
White.....	1 65 @ 2 00	3 00 @ 3 40
Corn, Western mixed.....	82 @ 84	1 10 @ 1 15
Yellow.....	85 @ ..	1 75 @ 1 90
White.....	84 @ 88	1 10 @ 1 15
Rye.....	1 30 @ 1 35	2 15 @ 2 25
Oats, Western cargoes new.....	70 @ 79	80 @ 85

It will be seen from this comparison that flour and wheat are but little more than one-half the price of a year ago; while other kinds of grain also are very much lower. In passing, we may remind our readers of certain suggestions we made last Fall, condemnatory of the Western habit of holding back grain before the close of navigation, in hope of thereby exacting higher prices from Eastern and European consumers. The event has proved, as we foreshadowed, that the East would live upon its limited winter supplies and wait for the spring to determine its own prices: and that Europe also would be equally able to wait; while the West would, in the mean time, be embarrassed by carrying a heavy load of produce and its dealers lose heavily by a decline in prices. It remains to be seen whether prices are not, at the moment, exceptionally depressed. There is not, however, any very obvious reason for anticipating any important reaction. The class of causes which have operated to increase the production of grain in this country have been equally influential in all the grain growing countries of the world; and it is reasonable to assume that there is now a larger area of land and a larger amount of labor devoted to the production of grain than perhaps at any former period; so that, only in the event of adverse seasons, may we anticipate a falling off in the yield. So far as respects the United States, the weather has thus far been favorable and reports indicate the probability of ample crops. It is true that the farmer has to pay as high prices for labor, with wheat at \$1 35 per bushel, as when he obtained \$2 50 per bushel; and it may be that wheat

growing is consequently comparatively unprofitable. It would, however, be unsafe to conclude from this circumstance that the production of grain will be promptly curtailed. The farmer has had a succession of profitable crops, and he can afford to meet an adverse season. He stands committed to his extended production, having all the requisite appliances provided, and cannot readily contract; while he naturally hopes either for higher prices for his grain or lower prices for the labor he employs.

This changed condition of the grain trade has very important bearings upon the condition of the general trade of the country. One of the first results is apparently, as we noted last week, an unfavorable one. Eastern merchants complain of difficulty in making their collections at the West, and find the demand for goods from that section unexpectedly limited; the reason being very obviously that, with the reduced prices of grain, the farmers have to fall back upon credit, and cannot keep up their late scale of expenditures. This effect, however, in its turn becomes a cause, operating directly upon the manufacturing industries. The lightness of the Western trade is already compelling a reduction in the prices of manufactured goods, and many kinds of merchandise are selling at a loss to the producer. The contraction of the agricultural demand is such an important element in the goods markets, that manufacturers must soon be compelled to seek compensation in a reduction of the price of labor, or of raw materials, or of both. A necessity for such reduction has long been felt; but it was in vain to ask the laborer to concede while the costs of living were advancing. Now, the situation is essentially changed. The cost of the main element of subsistence has declined nearly one-half; fuel has fallen in nearly an equal proportion; clothing is rapidly cheapening, and the prospects of the Southern crops encourage the hope of a cotton yield which will give fresh impulse to this tendency; and although animal food still remains high, yet the reduced profits upon grain growing will naturally direct attention to cattle farming and increase our supply of pork and beef. Thus it will be seen that the return of breadstuffs to comparatively low prices leads the way to a general reduction in the value of all domestic products embraced in the costs of living. Under these circumstances, the manufacturers will be backed by natural causes in their efforts to secure a reduction of wages; and the attempt, when made, can hardly fail to be successful.

In view of these considerations, the efforts being made in some branches of labor to secure an advance of wages are peculiarly ill-timed; they show anything but an appreciation of the industrial condition of the country, and, if successful at all, can be so but very temporarily. The operatives of the East have for some time been demanding successive advances in wages, to compensate them for the high prices they have had to pay the

West for its food. The West, in return, having reduced the price of its products, now demands that the East shall charge less for its labor as represented in manufactured goods. If the operatives were right in the first instance; and the success of their demand proves that they were; then the farmers are right in the second instance; and their demand is equally sure of being acceded to.

The foregoing considerations throw some rays of light upon the present depressed aspect of business. The quiet of trade is really, to a certain extent, an incident of a remedial process, which must ere long work out highly beneficial results and produce a generally sounder condition of business. A downward course of values is always attended with losses to merchants, the disturbance of confidence, and a more or less despondent feeling. The capital of some merchants may be eaten up in the process, and mercantile establishments may be reduced, with the indirect advantage of driving a surplus of hands from the distributing class to the producing class. But, however, severely these results may be felt by those most directly concerned, yet the process is highly salutary to the country at large; it is a recovery from disease; and its issue will be health and prosperity.

THE YANGTZE KIANG.

There is in Asia a river which, though named by a people who delight in high sounding titles, is yet more modestly designated than our own noble Mississippi, which we have named the "Father of Waters." The Chinaman, less pretentious for once, merely claims that the Yangtze Kiang is the "Son of the Ocean." A reference to the map will show that, in the distance traversed, and in the extent of country drained, the advantage, if any, is in favor of the Yangtze; while the population living on its banks outnumber the dwellers on the Mississippi, as 100 to 1. Of this great river until recently we knew literally nothing. Recent explorations and travels have taught us that the river proper is navigable more than 2,000 miles from the sea, and that its branches water a country extending between the 25th and 36th parallels of latitude, and the 89th and 122d meridians, comprising an area of over 1,300,000 square miles, and subsisting 200,000,000 of people, not including the tribes living on its banks, beyond the limits of China proper. With the exception of the Canton River, in the extreme south, and the Amoor, on the northern boundary, neither of which are navigable to any distance, the Yangtze is the only navigable river on the China coast. Foreign vessels have, for eight years, been permitted to trade as far as Hankow, 650 miles from the sea; yet the river is, at all

seasons, navigable for the largest sea-going steamers, as far as Ichang, 350 miles further up; and even at that point, vessels are not detained by want of water, but by the difficulty of passing narrow gorges, where the current is of wonderful rapidity. Through these gorges the depth of water exceeds, in many places, 150 feet, but powerful steamers, capable of passing these points, can ascend 1,000 miles further, into the heart of the province of Szechum, the garden of China. Beyond this we are without accurate information, as Captain Blackiston, to whom we are indebted for his careful and scientific exploration of the river above the Tung Ting Lake, was here compelled to turn back.

Limited and restricted as has been our intercourse with these people, and scanty as is our information as to their resources and wants, yet the increase of trade at the river ports, since the opening of Hankow, is sufficient to assure us that, when the day comes, as come it must, when the whole valley of the Yangtze is as freely open to the merchants of all nations, as the Mississippi now is, the volume of trade will assume proportions which will astound the most sanguine believer in the future of China. Let us examine the trade returns of the Imperial customs for 1867, showing the trade carried on in foreign bottoms alone, and reflect that we have access to the river for only one-third of its navigable length; and that even on that portion, the goods carried in native craft far exceed in value the amount carried in foreign vessels; and then try and form an estimate of what that trade will be when the entire river is open, and steam has superseded mat sails and oars as a propelling power.

We find in the returns referred to the figures in this table.

Ports.	Foreign Imports. Tael.	Native Imports. Tael.	Native Exports. Tael.	Total. Tael.
Shanghai	81,249,477	80,101,294	24,523,463	89,755,796
Hankow	10,211,616	7,821,188	12,416,832	30,537,126
Kin Kiang	2,631,321	1,654,468	4,153,761	7,661,899
Chin Kiang	3,311,618	2,084,216	885,928	5,806,802
	<u>50,497,132</u>	<u>41,881,055</u>	<u>41,674,483</u>	<u>133,560,178</u>

From official notifications published, it is almost certain that on the revision of the English Treaty, additional ports will be opened, and among them, probably, Ichang, Chung King and Suchow, on the Upper Yangtze. It is a favorite but fallacious argument, that the opening of a greater number of ports is disadvantageous to foreign trade, creating additional expense without proportional profit. This is, however, the doctrine of the China merchant of former days, who believed that China "was given to him for an inheritance," and looks on all fresh workers

*The Tael is \$133½, so that the traffic in foreign vessels is about one hundred and seventy-five millions in gold.

in the field as intruders, and who cannot see that the world is a gainer by an increased production and trade, because all the profit does not go into his own pocket. There are many such in China who, having burnt their figures, in the vain attempt to control the business of fourteen ports, as they formerly did one, argue that each port opened retards trade. If their views are correct, the day that the entire country is thrown open, the mercantile world is ruined. The average price of goods has undoubtedly decreased, but the quantity used has increased in a wonderful ratio, and it is the question of quantity which is most interesting to the United States. Comparatively a very small amount of our productions find a market in China, the imports from the United States, in 1867, being only Taels, 702,683, against Taels, 66,332,514 from Great Britain and her colonies; while the exports to the two countries are respectively, Taels, 7,493,318, and Taels, 44,961,581. No material increase in this demand is to be expected, but it is none the less for our interests that additional ports, if in the interior, shall be opened. The navigation of the inland waters of China by steam was inaugurated by Americans, and, with one unimportant exception, has been conducted by Americans, in American built vessels, and there is no reason why it should not always be so. The prize is well worth striving for, since the day is not far distant when the carrying trade on the Yangtze will not only rival but surpass that of the Mississippi. That the Chinese have already practically decided the question of steamers *versus* junks, is shown by the fact that three-fourths of the merchandise carried by the river steamers is for Chinese shippers. Let England, then, open fresh ports, double and treble her supplies of cotton goods, and purchase every pound of tea and silk that China can raise; yet if we retain a monopoly of the transportation to and from the seaboard, we have availed ourselves of the most lucrative opening, and grasped the richest prize that China offers to America.

J. H. G.

ENLARGEMENT OF THE NEW YORK CANALS.

At a meeting of the members of the New York Produce Exchange, held on the 25th of March, the subject of the enlargement of the canals of the State was considered, and an address delivered by Hon. Israel T. Hatch, of Buffalo. There is no discussion in which the country is more interested than this. The West and the East are alike desirous of seeing some measure perfected which shall lessen the charges for freight. Breadstuffs raised in the Western States and Territories are of little value unless an Eastern market can be obtained: and prosperity to the

West means also prosperity to the East. But whether the desired end can and should be obtained by the enlargement of our canals, is another question. Mr. Hatch, in his address, has pretty fully and ably considered this subject from his own standpoint, and we propose at this time simply to give the substance of his address, reserving any comments we have to make for another occasion.

In 1808, when discussions as to the Erie canal first assumed the form of definite action in the Legislature of the State of New York, all minor and selfish interests were patriotically regarded as subordinate to the national welfare. The Legislature itself, voluntarily renouncing the advantages of geographical position, except in participation with other States of the Union, confidently expected aid from the nation at large, and passed an act "causing an accurate survey to be made for the most eligible and direct *route* for a canal to open a communication between the tidewater of the Hudson River and Lake Erie, to the end that Congress may be enabled to appropriate such sums as may be necessary for the accomplishment of that great national object." On the 8th of April, 1811, a further law was passed, which stated in its preamble the objects of the act to be, to "encourage agriculture, promote commerce and manufactures, and facilitate a free and general intercourse between the different parts of the United States, tending to the aggrandizement and prosperity of the country, and to consolidate and strengthen the Union." Clinton, Morris, Fulton, and others, were appointed commissioners for the consideration of all matters relating to the proposed inland navigation. They were empowered to make application in behalf of the State to the Congress of the United States, or to the Legislature of any State, to co-operate in the undertaking. It was not believed that a work so universal in its benefits should be left to the isolated efforts of a single State.

During the presidency of James Madison, the commissioners thus delegated proceeded to Washington, and presented the application to Congress. The President made their proposals the subject of a special message, dated December 3, 1811, recommending the undertaking as a national work, and suggesting the adoption of whatever steps might be necessary to insure its accomplishment. At the request of Albert
 sury, Clinton, Morris, and Fulton
 \$3,000,000 for the work, and em-
 condition nevertheless that no tax,
 the passage of boats through the
 needful to pay the annual expenses
 n repair." This bill, together with
 was referred to a large committee,

and was favorably received. Gallatin, the Secretary of the Treasury, in answer to a letter from the committee, urged their favorable action upon considerations of the wisest statemanship and purest patriotism; but as it was expected, and this expectation was verified by subsequent events, that a rupture with Great Britain was impending, Congress finally declined to make the appropriation at that time, on the ground that "the resources of the country might be required to support a war." The commissioners marked their sense of the refusal to grant aid to a national object, no less important in war than in peace, by saying, in the conclusion of their report to the Legislature:

These men console themselves with a hope that the envied State of New York will continue a suppliant for the favor and a dependent upon the generosity of the Union, instead of making a manly and dignified appeal to her own power. It remains to be proved whether they judge justly, who judge so meanly of our counsels.

After the postponement of aid by Congress, applications were made to the Legislatures of different States; several of them returned favorable answers, but the war with Great Britain having begun, little progress was made. On the 10th of November, 1816, De Witt Clinton, as president of a board of commissioners, appointed the previous year, renewed the application to the government of the United States, and on behalf of this State, which he represented, again bore significant testimony to the lofty purity of her motives in seeking her own interest only by promoting the national welfare. He said:

The State of New York is not unaware of her interests, nor disinclined to prosecute them, but when those of the general government are concerned and seem to be paramount, she deems it her duty to ask for their assistance.

Finding that all her efforts to secure aid from other States or the general government were unavailing, the State of New York alone, and with the slender resources of those days, resolved to commence the gigantic work. Even then she persevered in rejecting considerations merely selfish. Her commissioners repudiated the idea of a "transit duty," to be levied for the advantage of the State, and said this would be "the better course if the State stood alone, but fortunately for the peace of the Union, this is not the case. We are connected by a bond which, if the prayers of good men are favorably heard, will be indissoluble." The act inaugurating the construction of navigable communications between the great Western and Northern lakes, and the Atlantic Ocean, was passed by the State, April 15, 1817, and was based upon an important memorial presented to the Legislature by the leading

merchants and men of influence in the city of New York. It stated that:

Whereas, Navigable communication between Lakes Erie and Champlain and the Atlantic ocean, by means of canals connecting with the Hudson River, will promote agriculture and manufactures, mitigate the calamities of war, and enhance the blessings of peace, consolidate the Union, and advance the prosperity and elevate the character of the United States, it is the incumbent duty of the people of this State to avail themselves of the means which the Almighty has placed in their hands for the promotion of such signal, extensive, and lasting benefits to the human race.

Having thus originally taken upon herself whatever there might have been of risk in making at her own unaided cost, a channel of cheap communication by water between the citizens of the Eastern and Western States, and between those of the West and the great highway of the world, the State of New York continues to be the great regulator of the cost of transit, by means of her canals between the East and West, protecting no small proportion of the people of the Union against those extortionate charges which might have been levied, if the canal, with its natural monopoly of position, had fallen into the hands of speculating individuals or companies, with no check upon the price of their freight tariffs except their forbearance, and no restraint upon them, except the easy virtue of modern legislations.

During the six months of navigation the canal alone carries as large a tonnage of freight as the five chief trunk railroads, from West to East, during the whole year, at half the cost to the public, being a saving annually, in transportation by water, to the great consuming and producing classes of the Northwestern and Eastern States of \$36,580,000. The average cost from Chicago to New York, via the lakes, the Erie Canal, and the Hudson River, including canal tolls and carriers' profits, embracing a period of 10 years, is \$7 66½. The cost of transportation on the Central Railway, as given in annual reports, taking the average for six years, is one cent four mills and nine-tenths of a mill per mile, not including carriers' profits. This average applied to the distance from Chicago to New York, by rail, 988 miles, makes \$14 31-6 per ton; or \$6 65-1 more per ton than the average cost for a period of 10 years, via the lakes, the Erie Canal, and the Hudson River, including State toll- and profits of carriers. The through freight moved Eastward by the five trunk lines and the Erie Canal is about, in round numbers, 5,500,000 tons, which, if multiplied by \$6 65-1, the difference before mentioned, would make a difference between rail and water transportation of the total freight carried, of \$36,580,500, and if the profits of the railway companies be added to the actual cost, this amount would be

largely augmented. Now, however, we have reached a crisis in our manner of dealing with the canal system which, if wisely met, will insure New York the commercial supremacy, not only of the continent, but of the world. Our water communication is the true basis of our intercourse between the interior and the seaboard. We have had practical proof, even under the past wretched system of management, of the immense revenue to be derived from the canals, and their great superiority in point of economy. During the period when navigation becomes closed, our people have experienced the costliness of railroad monopoly, and what it would be, were canal opposition set aside. You have only to recall the early close of canal navigation in the fall of 1867, and the losses amounting to over a million dollars by the forwarders, shippers, and consignees of property detained more by the bad management of our canals than the unpropitious elements. Did railways furnish the necessary relief and bring this property forward? No. All know that the heavy and bulky articles of commerce go by the canal—such as grain, pork, fuel, coal, salt, etc. Who suffered here? Not the rich who pay for the luxuries as well as the necessaries of life from their superabundant wealth, but the laboring classes, who are barely able to purchase the necessaries of life with their scanty earnings. This saving to the poorer classes, well illustrated in the annual financial report of the Auditor of the Canal Department, of 1866, in which a table of tonnage, carried by canal and rail, and a calculation made upon the basis of six years' transportation by the two methods, is given, showing that our canal saved to the great producing and consuming classes \$8,000,000 annually.

But the State has done little or nothing for the canals since the adoption of the Constitution of 1846. Only through the strength of a canal party in 1853 was the restriction of that Constitution removed, and so amended that a loan upon the pledge of canal revenues was authorized by the Legislature, and the present enlargement secured, with the advantages of decreased cost of transportation and increased trade and revenue. But for that enlargement, the vast volume of trade now flowing into New York through canals, would have been turned into other channels, and lost to the city and the State. The late Constitutional Convention had not the statesmanship to comprehend the commercial necessities of the hour and of the future, and consequently did not make any liberal provision for them. It refused to introduce into the proposed Constitution a provision conceding to the State Legislature the right to raise a loan for the furtherance of canal enlargement on the pledge of the canal revenues, or rather prohibited it from borrowing upon them. There is nothing now left for us except to amend the Con-

stitution by the same means as we did in 1853, to borrow \$10,000,000, if that sum is necessary to improve our canals; and if the Legislature will propose the amendment, it can be carried through in fourteen months. Auditor Bell, in his financial report of 1868, says:

The application of the balance now in all the Sinking Funds to the payment of the several canal debts for which these funds were provided and set apart, would reduce them to \$10,307,921 24, as will more fully appear by the following:

Statement of the Canal Debt on the 30th September, 1868, the Balances in the Sinking Fund, and the Amount of the Debt, after deducting the Balances applicable thereto:

	Debt 30th September, 1868.	Balances of Sinking Funds 30th of Sept. 1868, including Temporary Investments.	Balance of Debt after applying Sinking Funds.
Under Art. 7, Sec. 1 of the Constitution.....	\$9,240,860 00	\$2,217,053 67	.....
Under Art. 7, Sec. 3 of the Constitution.....	10,844,100 00	1,122,320 12	\$9,201,579 88
Under Art. 7, Sec. 12 of the Constitution....	1,685,000 00	578,658 64	1,106,341 36
	<u>\$14,249,960 00</u>	<u>\$4,017,232 43</u>	<u>\$10,307,921 24</u>

From above and from other portions of his report, it will be seen that the amount of money on hand, or rather on deposit in "Albany City Depositaries," or other banks, was \$4,048,379, which cannot be used, under the provisions of our Constitution, until 1873, when \$3,550,800 of canal debts fall due. This large sum must remain at a low rate of interest, and accumulate until 1873. If any improvement of our canals is needed, these surplus moneys cannot be used for it, because it would violate the sacred obligations of the Constitution of 1846, and the people must be taxed unnecessarily; the toll sheet cannot be changed but to a limited extent, so as to retain or increase the trade of the canals, because the money is all required to fulfill the provisions of the Constitution of 1846. It requires a great amount of credulity to believe that our canals, thus hampered by these constitutional restrictions, can long retain its present tonnage, and much less add to it that annual increase which belongs to them.

On the other hand, if this proposed amendment is adopted, our tolls can at once be reduced two thirds, and carriers' charges one-half. The history of successive enlargements and successive reductions of tolls upon them, demonstrates this fact, that in proportion as you increase the capacity of the canals for transportation, you decrease the cost of transportation, and increase the tonnage and revenue. Under this wise policy, adopted by Clinton, Morris, Marcy, Hoffman, Bouck, and Earle; the tonnage passing over our canals, and the revenues from them, have doubled in every decade.

Some object to the enlargement of our canals because they fear they will not be an honest expenditure of the money. They speak of it as

though there was some inherent wrong in our canal system, when the fault, if any, is in the incompetency and dishonesty of the public officers charged with its management. It is difficult to conceive how any very extensive frauds can be perpetrated, without there is imbecility and connivance in their execution. Yet in the Constitutional Convention of 1867, any liberality in a constitutional section to give the Legislature power to borrow money to improve our canals, was howled out of the Convention, under the cry of "Canal Frauds," debt, taxation, etc. Mr. Evarts moved the adoption of a section to empower the Legislature to borrow \$10,000,000, to enlarge the canals, which was voted down. Mr. Erastus Brooks at last moved \$2,000,000—voted down. Immediately after that the same Convention gave the Legislature unrestricted power to borrow as much as might be necessary to construct the new Capitol building (not needed, except for display), at a cost of \$10,000,000, and tax the people to pay it. Yes—an unproductive work they could authorize; but for a work that was paying \$3,000,000 net annually, under the worst kind of management, they would give no power to the Legislature to authorize any improvement, because they feared the people might be taxed. In one case they were willing the people should be taxed \$10,000,000 for the construction of an unproductive ornamental work; in the other, where it was shown that the improvement of our canal, from its own revenues, would increase the revenue, they refused any authority, because they were afraid the money appropriated would be stolen, and the people taxed. Everybody knows that there is no danger of the people being taxed for any canal debts, if our canals are managed and improved with any kind of wisdom, and with even tolerable honesty; and if the restrictions of the Constitution are removed, so that our Canal Board can use the money on hand to improve the canals, instead of lending the money to the Albany and other banks—now near \$5,000,000—and adjust their tariff rates the same as managers of railways do to retain and increase their business. The suggestion that the alleged stealing under our contract system must be stopped before any money is borrowed to improve our canals, scarcely deserves grave consideration. It arises from ignorance of the interests of our canals, or an interested opposition to any improvement of them. Why, such a course is about as wise as it would be for a man to stop in his endeavors to put out the flames of his burning house, and go after the thieves who he feared might congregate after the fire for plunder.

But we are told that our canals are not worth preserving. Mr. Jay Gould said, before the Canal Committee, in Albany, practically, that they were not; that he could use them up with his railways. He, in fact, claimed that he could demolish by successful competition, in a

day, our splendid canal system, which has been the work and pride of our people for half a century, and founded upon a policy inaugurated by the wisdom, the patriotism, and heroism of the earliest and noblest statesmen of this commonwealth. Only one such boast was ever before made in this country, and that was two years ago, in a speech in Chicago, by a foreign Knight and stock operator. He proclaimed that his continental railway, the Atlantic and Pacific, could and would carry all the lake and canal freights. It was Sir Morton Peto. He strutted his brief hour here—dashed through the country in his imperial car, giving his bouquet dinners. You all know his fate, and the fate of his railway, which stands on our soil, going to decay, a monument of his folly, and a warning to kindred spirits.

Let me say one word further upon the pretensions of those present claims of our railway managers who believe railways would use up our canals? The railway managers answered this question partially themselves, a short time since, before a committee of the Legislature, at Albany, while a bill was under consideration calculated to give the people of this State along their lines equal facilities for transportation of their property at relative prices, with people beyond the State. They say they cannot maintain the supremacy of their lines in the carrying trade of passengers and freight, if compelled to make a *pro rata* scale of charges to the people of this State. That is, unless they can levy an arbitrary rate upon the passengers and property of our citizens above the fair value of such services, and above that charged upon passengers and freight traffic of the citizens of other States, they cannot continue to serve the citizens of other States at rates below the fair value of such services. This would surely be a costly warfare to secure the supremacy—thus levying upon our own citizens the cost incurred in the destruction of our own canal system. Fortunately for the people of New York, the isthmus between the great lakes and our seaboard across the State of New York, has sufficient merit as the great natural tract or channel of commerce, to require no such forced contributions from the people along their lines, to maintain their supremacy over all others between the mouth of the St. Lawrence and the mouth of the Mississippi.

But this boast may in time become truth, if something is not done to

works. Anything can be destroyed
tion could be reduced two thirds
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ned, as the political power of the
re 1,000 miles of canals, with the
to every part of the State. The
in 1853, was 121,000. This major-

ity will not be diminished. There was a village along the banks, at an average of every three miles. Sixteen years ago the capacity of a canal boat was only sixty tons. Where, to day, would be your trade, if the last enlargement had not increased the tonnage of canal boats to two hundred and twenty-five tons. Some claim that the political power of the canal question, which was raised successfully in 1853, has diminished with the diminution of our local traffic, whilst the railway power has been augmented, from the increased use of the rail by our people. I admit there is some force in this suggestion, but with the decrease of our own local traffic on our canals, there has been an increase in the practical knowledge of the workings of our two carrying systems. The enlightened railway managers of our great trunk lines find rival lines through Canada, Pennsylvania, and Maryland can successfully compete with them, and that in order to maintain their commercial supremacy, as a portion of the carrying system of this State, six months in the year they must maintain the commercial supremacy of our canals, which during the season of navigation regulate the freight tariffs of our carrying system, bringing through them the volume of Western trade. Our railways have a fair share of the benefits arising from this current of trade, created and held by our canals during six months in the year, and a monopoly of them when our canals are closed for the other six months. The comprehensive minds of Erastus Corning and Dean Richmond, who were alike distinguished for their successful management of railways, and their intimate knowledge of the ebb and flow of our internal commerce, at an early day recognized the true basis of the relations of our two carrying systems. Their sagacity penetrated through the apparent antagonism, and found a community of interests, and maintained always that there should be harmony of action between the two. Of the former distinguished gentleman, and as an associate member of the Finance Committee in the Constitutional Convention of 1867, I feel at liberty to say, that he always maintained a most liberal policy toward our canals; insisting that tolls should be removed from them as fast as consistent with the payment of the canal debt; that railways could never successfully compete with canals in carrying the bulky articles of commerce, and that our railways could only maintain their commercial supremacy through the agency of our canals. I say then that we have nothing to fear from railways, for an intelligent examination of the subject will satisfy them of the force of these views; or they will adopt them through the instinct of self-preservation, if not from an enlightened consideration.

Mr. Hatch said he was detaining them longer than he wished (Go on, go on)—but he noticed, as doubtless they did, in the telegram from

Washington this morning, a resolution introduced by Mr. Schenck, Chairman of the Committee of Ways and Means, which was adopted, requesting the President of the United States to open negotiations with the Dominion of Canada, to secure, among other privileges, the free navigation of the St. Lawrence.

It is the old reciprocity scheme.

Col. Hincken said, they were divided upon the question of a reciprocity treaty.

Mr. Hatch resumed: Well, sir, you may be divided here upon some of the terms of a treaty, but you cannot afford to divide opinion or action upon the equivalents which are proposed in exchange between the two countries as a basis for a treaty, our free markets for their free canals, enlarged for passage of vessels of 1,200 tons, to be constructed and paid for from trade diverted from our lake marine, or our railways and canals, and your ships.

The Hon A. T. Galt, the Canadian Minister of Finance, in a late speech, on behalf of the government, said:

We have no trade ourselves which would require enlargement of the canals; no trade which would justify us in enlarging them; we could only be repaid for such improvements by obtaining the American States' trade, and making it pay tolls, or otherwise contribute to our revenue.

How far our government will be willing to surrender its trade and revenues as a tribute to British-Canadian rivalry, will depend upon the character and honesty of American statesmanship in Washington. In other words, surrender to us your American commerce, that is now carried by your lake marine, over your railways and canals, and brought to this city to enrich your commission merchants and freight your ships, and we will give you the free navigation of the St. Lawrence with enlarged canals. To read this resolution, the credulous would suppose the honorable chairman of the Committee of Ways and Means was seeking to secure to us some great commercial advantage which is now withheld. What is the fact? The free navigation of the St. Lawrence is now conceded to our lake marine, and it is a barren concession, not half a dozen American vessels having passed through *via* the St. Lawrence, since the abrogation of the treaty. And what does the Dominion receive in return for this barren concession? Their vessels are allowed to go into our inland sea, Lake Michigan, and enter into the great grain port of this continent, Chicago, and others on that lake, and there compete with American vessels for the diversion of property which would otherwise go over our American carrying systems.

Again, Canadian railways are permitted, under the exercise of very doubtful authority, and policy, too by the Secretary of the Treasury, to carry American merchandise from one port of the United States to another, through Canada, when our navigation laws have prohibited their vessels from transporting the same property from the same ports; in fact, through our liberal concessions their vessels and railways are furnished with all their business, except that of their inferior local traffic.

If the Erie Canal is improved, and the cost of transportation reduced, the great cause of dissatisfaction in the West will be removed, and British capitalists will refuse to make further investment in the unproductive works of Canada, especially when this great State adopts a policy which will make our canals, in no distant time, as free as our lakes and rivers, and which in the end will give a free water line of transportation from this city, 1,500 miles long, to the centre of the continent, and by addition of 700 miles rail, extend it to reach the Pacific.

Finally, allow me to remind you that the Northwest aims at direct trade with Europe, and Boston believes that if the St. Lawrence canals can be enlarged, they can bring their largest line of propellers upon the lakes, which now are engaged in carrying freight from Chicago to Ogdensburg, and then by rail to Boston, through the St. Lawrence to Boston, become respectable rivals to you in the inland commerce of this country. Schemes to accomplish these objects are pending in Congress now, and I do not hesitate to say that I believe, as certainly as that the waters of the St. Lawrence will continue to flow to the ocean, that this commercial experiment will be tried to change the channels and outlets of the inland commerce of this country. Of its probable success I have nothing to say, only that if our commercial power on this continent should be diminished, or pass into rival hands, it will be owing to our neglect to improve those natural advantages with which the God of nature has surrounded us.

I will only add in conclusion, that longer inaction upon the part of our canal people must hasten the day for the abandonment of our public works. Clinton, Morris, and Fulton said to the Legislature, in a critical period of our canal history: "That delays are the refuge of weak minds." Corruption and a narrow policy are our worst foes. I appeal to you then to act promptly in this crisis of our canal affairs, and with some of the energy, faith, comprehension, and foresight of your illustrious predecessors—those merchant princes who, in 1817, memorialized the Legislature for the construction of the Erie Canal, and lived, thank God, to rejoice with the whole people of this State over its completion in 1825—a work unsurpassed in ancient or modern history,

both in the grandeur of the gigantic undertaking, and in the magnitude of commercial results. There is no mistaking the signs of the times—they point us to a steady march in the improvements around us; every-we can read progress. We are admonished to heed the teaching which this fact furnishes, and those who disregard it—whether they be States or political parties—and who do not move on and keep step to the forward movement of the day, will be forced behind by their more enterprising and progressive rivals.

MR. BOUTWELL AND OUR FINANCES.

The monetary operations of the government of the United States offer in our reports an anomaly which has its parallel in those of no other great commercial nation. Ever since the passage of the Sub-Treasury Law, in 1846, the financial machinery used, in the receipts and disbursements of the government, has been separated as far as possible from that employed in the receipts and disbursements of the business community. The use of the National Banks as depositories of the public money took away some of the evils and disturbing forces which arose out of this anomalous separation. But as the depository system is now less used than formerly, and as it will probably fall still more into inactivity, there is a change apprehended in the early future, and a revival, in exaggerated forms, of the derangement and friction which formerly was so often ascribed to the Treasury as its active cause. This apprehension may be modified to some extent by the skilful judicious administration of Mr. Secretary Boutwell and Mr. Van Dyck the Assistant Treasurer. But it will long constitute one of the perils of the financial situation, that at any moment the government may be selling two or three millions of gold, draw out of circulation and lock up from commercial use the four or five millions of currency which is all that is required by the banks as a machinery for effecting their exchanges of 100 or 120 millions of dollars a day. Mr. Boutwell showed in his speech at the Stock Exchange that he is not unaware of this sensitive and delicate peril which is one foundation for the feverish unrest which afflicts the money market, and for the uncertainty and speculative excitability which, while it depresses legitimate trade, gives occasion for the strategy of cliques in the Stock Exchange and the manipulation of capitalists in the Gold Room.

There are two leading features of importance in the policy which Mr. Boutwell says he shall pursue. The first has to do with the sales of gold, the second with the currency balance he will keep on hand. As to the sales of the coin received for customs, it is his intention to refrain from sudden, capricious, uncertain changes of plan. Other things being

equal he will sell every week about the amount required to keep the coin balance at about the same level. When the coin receipts are heavy he will sell more, and when they are light he will sell less. In no one week, however, will he place more than a million of gold on the market, and if the interest disbursements are heavy he may have very little to sell at all. Still, as we understand him, some sales will be made every week except the bids happen to be so low that he deems it not for the interest of the government to accept them. Now this arrangement, as we said, is a very satisfactory one. There is nothing irregular or spasmodic about it. It will produce no derangement or disturbance either in the money market or in the movements of business. Had such a policy been followed steadily out during the last three or four years it is safe to say that the losses of many millions of dollars would have been saved to our commercial and manufacturing industry. The secrecy, the mystery, the harrassing uncertainty which have been deemed a necessary part of the Treasury policy, is now given up, and that publicity for which the country has been waiting is now happily inaugurated. This is one of many reasons we would cite why our commercial and financial men are looking forward with much of hope and confidence to the results and operations of the administration of Mr. Boutwell.

But this confidence regards still more the other part of the Secretary's policy which refers to the mischievous hoarding of idle greenbacks in the Treasury. We are approaching that season of the year when currency accumulates in New York, the great mercantile and monetary centre of the country. Still the South has been absorbing a vast amount of greenbacks only a part of which have come back here. Forty or fifty millions have been drawn into the more active circulating channels of Southern industry where a large part will remain. This large sum taken from the North by the South will make greenbacks more scarce here this summer than in former years. Hence the importance of the knowledge that Mr. Boutwell will not, as McCulloch did more than once during his closing year of office, deplete suddenly the channels of the circulation by locking up greenbacks in the vaults of the Treasury. A depletion of the greenback from the banks to the extent of four or five millions at a critical moment, will suffice to fill an easy money market with convulsion, consternation and spasm. No trouble from this source is to be apprehended under Mr. Boutwell's management, and this fear being removed, there is more confidence in business circles. Such are some of the reasons for the rise in government bonds which was developed during Mr. Boutwell's brief visit to New York on Thursday. This advance was ascribed to the expectation that Mr. Boutwell would buy up some of the gold-bearing bonds for the sinking fund. The chief cause undoubtedly must be sought

in the general confidence which has been resuscitated by the sound, conservative, cautious policy which the Treasury is expected to pursue as to the currency balance and the sales of gold.

RAILROADS OF THE WORLD (CLOSE OF 1863.)

We have compiled from the most recent information published the following table, showing the extent and population of all countries into which the railroad has been introduced, the length and cost of the railroads therein, and their relation to area and population:

Countries & States.	Extent & Pop'n.		Railroads.			Sq. m's Inhabit-	
	Area in square miles.	Population.	Length in miles.	Absolute cost.	Relative cost.	to each mill. of road.	ants to each mile of railroad.
NORTH AMERICA.							
United States	3,001,002	37,015,000	42,247	\$1,809,529,313	\$44,255	71.04	876.15
Canada							
Ontario	147,872	1,962,067	1,407	107,815,774	76,844	101.98	1,894.51
Quebec	109,990	1,334,067	675	43,016,519	74,811	35.30	2,854.90
New Brunswick	27,371	319,027	223	6,942,232	30,771	119.13	1,416.82
Nova Scotia	18,771	82,355	145	6,955,178	47,969	124.79	2,037.00
Mexico	772,672	8,251,080	202	11,093,840	54,930	2,825.14	40,886.53
WEST INDIA IS.							
Cuba	47,278	1,419,261	431	22,453,548	52,108	109.60	3,362.59
Jamaica	6,250	441,264	14	891,174	27,911	446.43	8,131.86
SOUTH AMERICA.							
Bolivia	521,912	2,797,473	43	8,000,000	106,677	10,878.33	58,280.08
Brazil	426,000	1,261,310	82	2,738,781	81,212	13,331.56	82,589.77
French Guayana	91,800	153,026	60	5,530,140	92,319	1,005.00	2,583.77
Paraguay	2,978,400	10,005,100	512	102,942,384	21,157	5,807.42	19,619.14
Uruguay	86,206	1,000,000	46	4,130,300	89,790	1,371.08	21,739.13
Venezuela	498,703	2,513,901	101	5,674,410	56,410	4,947.65	24,800.19
Colombia	249,793	1,701,931	891	21,153,746	61,819	134.01	4,272.21
Argentine Republic	1,126,450	1,259,855	231	12,453,058	53,915	466.82	5,451.75
EUROPE.							
U. K. of Gr. Britain and Ireland	123,519	29,293,319	14,217	2,511,314,485	175,260	8.60	2,056.10
French Empire	211,160	37,822,225	19,831	1,576,664,892	158,714	21.26	3,768.04
Germany	182,733	16,031,217	3,429	337,437,924	107,156	53.9	4,675.20
Portugal	86,476	3,947,861	52	12,874,741	101,317	69.49	7,639.59
Spain	1,272	2,544,440	897	71,157,924	87,182	17.02	2,414.09
Italy	101,773	24,896,801	4,109	882,400,772	98,118	24.60	6,054.09
United States	4,548	192,704	216	18,643,472	86,817	21.06	3,206.51
Russia	13,499	23,545,543	5,926	747,809,346	126,171	23.51	3,941.70
German States (other)	24,252	5,657,791	1,311	117,107,697	89,327	18.57	4,356.84
German States	44,519	8,521,461	2,681	284,914,279	87,659	19.5	3,179.59
Austrian Empire	240,252	32,573,002	4,429	3,739,545	73,915	54.21	7,354.34
Denmark	14,403	4,940,570	1,703	182,198,561	106,887	6.09	2,101.33
Norway	13,621	3,735,642	831	85,634,001	91,201	15.4	4,210.27
Sweden	170,552	4,111,141	1,194	74,539,002	62,834	112.89	8,445.19
Switzerland	123,223	1,701,474	44	4,055,656	92,174	2,800.63	3,749.91
Netherlands	14,726	1,608,045	401	22,902,714	57,111	8.24	4,010.21
Belgium (in Europe)	1,961,740	63,952,67	4,317	724,700,274	160,522	457.24	15,255.5
Italy (in Europe)	200,112	15,725,367	3,9	14,936,551	46,729	129.50	4,295.82
France	20,166	1,325,240	100	5,000,000	5,000	201.66	13,253.40
ASIA.							
China	6,930,000	16,000,000	143	6,984,243	48,701	4,709.41	12,257.76
India	526,000	11,000,000	100	6,000,000	60,000	5,260.00	10,000.00
British India	1,162,200	179,192,000	4,022	331,838,791	95,661	842.67	3,861.12
China	52,000	13,917,000	162	7,150,000	75,000	549.80	136,441.17
Japan	24,700	1,191,000	37	2,240,530	61,636	6.77	43,405.13
AFRICA.							
South Africa	178,000	2,500,000	458	45,163,879	96,504	887.34	5,341.84
North Africa	214,000	2,500,000	24	1,825,821	65,218	7,367.31	35,485.51
Colony	120,000	300,000	85	7,828,792	92,103	14.176	3,529.86
South Africa	20,000	150,000	2	119,421	59,711	10,000.00	75,000.00
AUSTRALIA.							
Victoria	86,800	574,331	409	46,549,268	113,812	21.22	1,404.23
New South Wales	823,400	578,085	174	11,007,523	80,503	1,452.62	2,177.79
Queensland	678,000	19,712	103	10,161,519	97,622	6,647.08	585.41
South Australia	883,500	144,416	87	5,142,427	59,108	4,405.55	1,13,972
New Zealand	106,500	175,877	17	1,491,402	87,729	6,234.70	10,315.16
RECAPITULATION.							
North America	4,177,204	49,291,606	41,802	2,045,864,856	45,685	93.04	1,100.26
West India Islands	58,528	1,490,528	445	22,819,723	50,349	120.29	4,248.88
South America	5,979,475	21,040,977	1,421	165,728,862	116,322	4,124.44	14,775.98
Europe	3,642,628	24,212,055	56,660	7,528,184,923	132,876	64.9	5,016.11
Asia	2,978,200	221,250,000	4,474	414,753,564	92,709	666.67	49,522.80
Africa	531,000	5,450,000	588	54,937,917	94,233	912.52	10,639.11
Australia	1,578,000	1,328,751	759	77,552,183	93,038	2,000.00	1,684.00
Average in World	19,441,018	584,469,987	109,177	10,829,751,982	99,194	178.06	5,853.88

ASPECTS OF OUR DOMESTIC AND FOREIGN TRADE.

We shall scarcely subject ourselves to the imputation of croaking in asserting broadly that the results of the Spring trade have thus far been unsatisfactory. Liberal preparations had been made for the season's business; the demand, however, appears to have fallen below the supply of goods; and we now begin to witness the accumulation of stocks and the anxiety to realise usual under such circumstances. Our trade with the South has afforded little or no occasion for complaint; that section having taken more goods than at any period since 1860, and having also paid for them promptly. With the West, a market which is every year largely expanding, the case has been otherwise. The decline in the price of grain has been a serious disappointment to the thrifty rural population of that section, causing them to economise their expenditures; while the merchants of the lake ports are heavy losers upon carrying produce. The Atlantic States also have been scanty buyers, the country merchants generally showing the caution which indicates a lack of confidence in their customers taking any liberal amount of goods and a desire to keep their indebtedness here as low as possible. The complaint is universal among retailers that they find the pressure for credit increasing and that collections are becoming more and more difficult. In the manufacturing States, the profits of the mills have not recently been such as to encourage an expansion of operations, but, on the contrary, have necessitated a partial contraction in the mechanical industries, with a corresponding effect upon all dependent branches. The whole case, indeed, may be summed up in the statement that, the South excepted, the profits upon agriculture, manufactures and trade have been unsatisfactory, and the people, consequently, are compelled to contract their expenditures. A special cause of embarrassment to business has also arisen from the abnormal condition of our currency system, resulting in frequent spasms in the money market, and rendering it impossible for merchants to get needful accommodation from the banks; this difficulty having been but little less felt in the country generally than in this city, where for several weeks it has been impossible to get the best paper discounted at less than 10@12 per cent.

With this condition of the home trade, we naturally require a very moderate supply of foreign products. Our people, in addition to their reduced means arising from the causes just specified, have, after the war excitement, settled down into a conservative mood, and are disposed to regulate their expenditures so as to correspond more closely with their income; and the finer manufactures and the luxuries of foreign countries are consequently less wanted. Importers however, do not appear to have adapted their purchases to this changed condition of things. On the contrary, having experienced two or three fairly prosperous seasons upon

moderate importations, they have imprudently rushed into extensive operations, as indicated by the very large increase in our imports. The improved standing of the public credit and the consequent demand for our bonds in Europe have facilitated, not to say largely induced, this course of things. Bankers have been the readier to encourage this import movement when they saw that importations could be paid for in bonds, in the exportation of which they would find a profitable business; and, to this extent, the late large shipments of securities to Europe have been a misfortune. Both, importers and bankers who have backed them, however, assume heavy risks in such a course of business. The people are plainly not in a position to take the large supply of merchandise at its ordinary value, and much of it must consequently be marketed at a heavy loss, to be borne by importers so far as they are able, and by the bankers where they are not able.

The imports at New York, for the first three months of the current year aggregate \$83,163,000, against \$62,750,000 for the same period of last year, showing the very large increase of 31 per cent. If the surplus of exportable domestic products showed a similar gain, there might be less ground for di-satisfaction with this expansion; but, unfortunately, there is not only no gain in the exports but a positive decrease, the total shipments of produce for the period being \$5,500,000 in currency less than in 1868. This adverse course of our foreign trade has been in progress for several months past, and demands prompt attention from the banking and importing interests. Owing to the delay in the publication of the returns of the statistical department of the Treasury, we are unable to give any complete statement of the recent course of imports and exports for the whole country. The trade movement at this port, and at the cotton ports of which we have complete returns up to April 1st, will, however, enable us to form a close approximate estimate of the movement for the country at large. We therefore present the following statement of the trade of New York and of the cotton exports at the South, for the seven months commencing with the cotton year and ending March 30th, the value of the exports being in each case reduced to gold, so as to facilitate comparison with the imports, which are entered in gold values.

IMPORTS AT NEW YORK.

From Sept. 1, 1868, to April 1, 1869.....	\$151,846,000
1867, " 1868.....	127,831,000
Increase of imports	\$23,995,000

EXPORTS AT NEW YORK.

	Produce (gold value.)	Spice.
From Sept. 1, 1868, to April 1, 1869.....	\$63,750,000	\$15,000,000
1867, " 1868.....	76,250,000	26,672,000
Decrease	\$7,533,000	\$1,372,000
Add decrease in produce.....		7,530,000
Total decrease in exports.....		\$18,902,000

EXPORTS OF COTTON AT SOUTHERN PORTS.

	Sales.	Value in gold.
From Sept. 1, 1868, to April 1, 1869.....	789,575	\$14,850,000
" 1867 " 1863.....	994,840	12,000,000
Decrease	205,265	.....
Increase .....	.....	\$5,850,000

It appears from these figures that, for the last seven months, the imports at this port are \$23,985,000 more than for the same period of a year previous, while we have had \$18,902,000, in gold, less exports, to set off the imports, than then; making a total of \$42,887,000 against us, at this point, as compared with last year. The principal offset against this adverse course of trade, at the principal port of the country, consists in the enlarged value of the cotton exports of the Southern ports. A few months ago, this was a very fruitful source of exchange, owing to the higher price of cotton; but, more recently, the shipments have declined to such an extent that we find the value of the total Southern exports of the staple, for the seven months, to be only \$5,840,000 in gold more than last year. Really therefore, the increased value of the exports of cotton from the South contributes but little to counterbalance the adverse balance of trade at this port. Nor is there any evident reason for supposing that the course of trade at Boston, Baltimore, Philadelphia and the minor ports will contribute toward adjusting this inequality. On the contrary, in the absence of any indications that the balance of imports and exports at those ports is unusually favorable, it is reasonable rather to conclude that the rule which has obtained at New York holds good elsewhere. We infer, therefore, that whatever may have been the course of the foreign trade of the United States for these seven months of 1867 and 1863, the balance for the past seven months is fully \$40,000,000 in gold less favorable than then. To what extent this adverse course of trade has been set off by the shipment of U. S. bonds and other securities it is impossible to estimate. It will be generally allowed that, within the period under review, we have exported considerably more securities than for the same time a year previous; but probabilities are decidedly against the supposition that the increase in this branch of exports will cover the above comparative deficiency in the commercial account. Be this as it may, it is clearly a perilous policy to keep up our present ratio of imports, concurrently with diminishing exports, with no other dependence for adjusting the inequality than an assumption that we shall still be able to send out our obligations to Europe. Considering how easily a threatening turn in the Alabama negotiations or in our relations with Cuba might check the European demand for our securities, it is easy to see how our foreign trade might be thrown into a condition of utter confusion; so that caution in our foreign diplomacy is as much needed as contraction among the importers.

CIVIL SERVICE—THE VIEWS OF MR. JENCKES ON THIS MEASURE.

This measure, it should be remembered, deals only with the inferior officers, whose appointment is made by the President alone, or by the heads of Departments. It does not touch places which are to be filled with the advice and consent of the Senate. It would not in the least interfere with the scramble for office which is now going on, or which fills with anxious crowds the corridors of the Capitol. It relates only to the appointments which may be made in secret, which seldom meet the eye of the reader of newspapers, but which are a hundredfold more numerous than those which await the confirmation of the Senate, and without which the government could not be carried on. When I speak of candidates and officers, it will be understood that I refer only to this subordinate class; those which long custom has held to be the sport of the political whirlwind, cannot seek shelter under this measure.

There is a general confidence that the head of the government will use all his power under the Constitution to improve the service, collect the revenue, prevent thieving, and punish the thieves. But for this purpose he must have aid, which existing laws do not afford, and that is precisely what this measure proposes to give to him. It furnishes him with means, not now given by the laws, of testing the fitness of every candidate for the place to which he seeks appointment, and also of testing the unfitness of any one who now is or who hereafter may be in the service. The end being desirable, as all agree, the present question is, solely concerning the means of accomplishing it.

For this purpose this bill gives the President power to call to his aid a sufficient number of competent persons to perform the work of selection well and promptly. In the first place, he may appoint four commissioners, who are specially charged with the full performance of this duty, and the execution of all necessary and incidental powers. They may call to their aid such persons of learning and high character as they may select, and such officers of the civil force, or of the military or naval, as the heads of Departments may designate. The exigencies of the service and of the times no longer require the establishment of a separate department with the Vice-President at its head, for the proper and independent discharge of these duties. These commissioners, with their assistants, will constitute a civil staff, through whom the President and the heads of Departments can obtain the knowledge concerning their subordinates, which it is impossible for them to obtain personally. This is their duty, their function; nothing less, nothing more. The power of appointment remains as before; the responsibilities of office are unaltered. It is objected that if the board has the power of decid-

ing upon qualifications and of rejecting for incompetency, it practically has the power of appointment. This notion results from the confusion of thought which mistakes the duty of rejection for the power of selection. The duty of the board is performed when they declare the candidate qualified. They perform the sifting process by which the incompetent are kept back. They may certify ten persons as fit for a certain grade of office, yet but five get appointments. The Departments take for novitiates those certified to be the best, but these do not receive commissions till their merits are tested by probation.

The preliminary examination determines only the best apparent qualifications; it is the probation which secures or loses the appointment. Elementary learning, such as reading, writing, spelling, geography, and arithmetic are to some extent necessary qualifications for all officers. By competitive examinations you ascertain who are the most facile in these acquirements; those who make the best show are placed upon probation, until their other qualities are tested, and if they fail in this trial they must stand by and give place for others of equal prestige. By the competitive examinations we ascertain what education the candidates have received; by the probation, their character and fitness are developed, or their unfitness disclosed, and no one receives a commission till he is found worthy of it. Under the present system the commission is given first, and the qualifications of education, character, and personal fitness are ascertained afterward. Although unfitness becomes apparent, yet all the influence which procured the appointment is brought to bear against the removal. It is easier to shut the door against incompetency, than to eject it after it has once gained admission into the service. The proposed commissioners are the doorkeepers of the entrances to public employment, to inspect the evidence of each candidate to the right of admission. Government employment should not be a school for the uneducated, or a refuge for the incapable, or an asylum or charity hospital for the indigent and unfortunate, as it is now too often held to be, but a service for the capable and industrious, to whom it opens an honorable career.

OF THE COMMISSION.

The success of the proposed reform of course depends upon the character and qualifications of the men who may receive the appointment of commissioners. Although it is admitted that there are men qualified for these high duties, yet it is intimated that such men will not find these places, and that the places will not seek such men. The most insidious, the most persistent, the most specious, and the most hopeful

attack upon the system are made at this point. Who shall examine the examiners? asks the gentleman from Pennsylvania, (Mr. Woodward.) What reform can be expected, again he asks, from a board of politicians? It is insinuated that they will be mere partisans, corrupted by political ambition, and be swayed by all the influences which that passion yields to. Nor are there wanting suggestions of venality and grosser corruption. The expression of the belief that a sufficient degree of virtue is attainable for such places is met with a continuous derisive sneer.

And I confess that all the venality, the frauds, the corruptions, the nepotism, the incompetency, the reckless disregard of the public interests which I have met with in the civil service, have not impressed me so much with the necessity of this proposed reform, as these insinuations that the reform itself would be impracticable from the supposed entire absence of public virtue, both in the appointing power, and in the persons likely to receive these appointments. It is the expression of a widespread belief that profligacy is the rule and not the exception in our political system; that the stream is poisoned at its fountain; that the government is given over to its corruptions and exists by them, and not in spite of them. It shows that those who represent the political element, and seek to manage the government for their own ends, affect to believe that integrity, honesty, honor, and patriotism have died out from among us, as they affected to believe, eight years ago, that the race of brave men had become extinct among the masses of the American people.

But as I believed in their courage and patriotism then, so I believe in their integrity and sense of honor now; and that I know, and that the President knows, many men who would select our civil officers with as much conscientiousness and care as our military servants have been selected—men who would no sooner permit an incapable, a drunkard, a knave or a thief to pass by their scrutiny into a place where the public money was to be handled, than our generals would have placed a coward, a traitor, or a renegade upon duty at an important outpost, or to lead a charge in an uncertain battle. There are heroes in civil as well as in military life, but their deeds seldom swell the poet's song, or find mention upon the historian's page. Yet it is to such civil heroes that nations chiefly owe their prosperity and happiness. I have faith, too, that commissioners who perform their duty justly, will gain the confidence of the great majority of the people, and that the moral weight of that support will enable them to resist all influence which would seek to swerve them from an honorable course.

WHY SUCCESS MAY BE HOPED FOR.

The great element of success in the proposed system is the encouragement and development in the civil service of the sentiment of honor; that high tone which spurns bribes and the seductions of profligate ambition; that patriotism which dominates all selfish interests, and that resolute energy of purpose which sacrifices everything to the performance of duty. When I have seen our young men by tens of thousands at the call of duty, urged by patriotism, leave all the allurements of home and the chances of success in peaceful life, to bear the privations of the camp and the march; to brave "the leaden rain and iron hail" of battle, and the lingering torture and slow death of the prison, to save their country from dismemberment, I feel that I know that from these same men there may be found a sufficient number who will hunt out and exterminate the enemies within the lines, and face the corruptions of office as unflinchingly as they faced death in war. I do not believe that where honor and duty work together, with fair reward in either branch of the public service, that the dollar is almighty to corrupt, or that the chances of politics can wholly deaden the conscience. It is in this faith that I advocate this measure; and if it is not sound, then a government honestly administered is not practicable among men.

THE MODE OF SELECTION CONSISTENT WITH THE ORIGINAL PRACTICE
AND THEORY OF THE GOVERNMENT.

There are some who pretend to think, and perhaps believe that they do think, that the proposed system is an innovation upon our republican theory. It is, on the contrary, a necessity arising from the growth of the republic, a demand of its intense and immense vitality. The republican idea is not that all are equally fit to hold office, but that all should have a fair chance to obtain office through fitness for it. "Equality is equal start for all." While the republic was small, and contained few more inhabitants than the present population of the State of New York, it was possible for the President and heads of departments to gain sufficient personal knowledge of all persons from whom they would select their subordinates. It was no more difficult than for a general of division to recommend the promotion of a meritorious subordinate to fill a vacancy. Competitive examinations and probations would be of little use when this personal knowledge existed, and the choice was exercised conscientiously. But the multitudes by whom this government must be carried on, and the greater multitudes from which they must be selected, have outgrown all personal knowledge and supervision. Some test must be applied to all candidates; some judgment must be had upon their qualifications.

This measure proposes to have the judgment of an independent board of qualified persons, and that access to this board shall be denied to none. Whose judgment will that of such a tribunal supersede? Not that of the President, for it is physically and mentally impossible that he should personally inquire into and decide upon the qualifications of those administrative subordinates in the cases where the appointment is vested by law in him; not that of the heads of departments, for it is not within their power to decide personally upon the fitness of their subordinates, except those with whom they come in contact in their respective offices. If they should personally undertake this task, they must neglect all other duties. What Secretary of the Interior could personally decide upon the qualifications of his Indian agents or pension office clerks, or Patent Office examiners? The Secretary of the Treasury has graver duties to perform than to select the many thousand instruments through whom he works, by personal interrogation. Those duties are graver than have ever devolved upon any of his predecessors. The management of our immense debt, the questions concerning the currency, loans, interest, redemption, fluctuations, or resources, which are constantly coming in upon him, may appal the stoutest heart and overtask the most cunning brain. Though his hair may be as black as the raven's wing on entering office, it may become blanched as the snowy owl's before leaving it. In order that he may be spared to perform those grave duties in any manner it is necessary that he should be relieved from all inquiries concerning applicants for office.

NO ACTUAL JUDGMENT NOW OBTAINED UPON THE FITNESS OF CANDIDATES.

Under the present system of whom do the President and heads of departments actually inquire; whose judgment do they get upon the persons who receive these minor appointments? If every member of the House of Representatives should, upon the instant, answer this question, each answer would be the same. We all know how this business is done, and although the people do not all know, they are rapidly becoming informed. In fact, the appointing power obtains nothing which can be called a judgment upon the questions of fitness and character. It is only a designation on account of political or personal services of persons not believed to be unfit. It is a way which custom has sanctioned of paying political debts. Men who would scorn to take a dollar of the public money without right, will not hesitate to place a personal or political friend in a situation where he receives the public money, without giving full consideration for it. The private political debt is paid by quartering the creditor upon the public Treasury. Is the office thus solicited and passed over to a friend, any less a bribe because it is not a gift which can be valued in lawful

money? Is the person who thus imposes an unfaithful servant upon the public less guilty of his peculations than the criminal himself? Is it any salve to the conscience to say, that if your man had not been accepted, perhaps under the present system a more incompetent person would have been?

"PATRONAGE" SHOULD NOT EXIST.

But the point which I make here has a graver and deeper significance than any question concerning the method of using the patronage system as it now exists. I maintain that such a system has no right to an existence in this republic. The three great departments of this government are distinct and independent, each sufficient for its appropriate sphere, and all necessary for a harmonious whole. Each department is also a check upon the other, and those who are charged with duties in one, cannot properly interfere with those who are charged with different duties in another. The executive department overshadows the others; the duties with which it is charged are the entire execution of the laws and the negotiation of treaties; and for the proper discharge of these duties that department is responsible to the people and to the representatives of the people. Congress should furnish the means for the performance of these duties, and, as the representatives of the people, should see that they are well performed. They should keep watch and ward over this mighty executive power, and see that it is used only for the proper administration of the government of the republic, and not for corruption, for personal ambition, for perverse partisanship, or for any form of tyranny.

Above all things, the body exercising the legislative powers, supervising the exercise of all other powers, and without whose co operation no other powers can be exercised—that which holds the purse, and which alone can authorize the use of the sword—should never surrender its independence, collectively or individually, to the department which merely administers without the power to provide itself with the means of administration. We should never forget that in the republic the representatives of the people are nearest to "the primal springs of empire," which are the people themselves, and should never relinquish or compromise their independence while performing their high duties.

Believing this, I must express the conviction that it was an unfortunate hour for the republic when the representatives of the people abdicated their high functions, and consented to become the recipients and dispensers of what is called "executive patronage." That is, they beg the Executive, who is charged with the faithful execution of the laws, to seek its instruments in such a manner, that the members of the legislative bodies can pay their political debts by designating the persons to whom the

executive and administrative offices should be given. Each office thus bestowed is a link in this chain of "executive patronage."

But the executive should have no patronage. The word "patronage" implies a bestowal by favor of what would not be obtained by the recipient by desert. That department should seek the most capable persons to transact the business of the people. Its high offices became degraded when their chief consented that they should be the instruments of such base uses. This surrender first introduced the sordid element into our politics, and caused the high tone of honor, high character, and eminent talent to begin to disappear from what has been becoming more and more a dishonored and dishonorable arena. When members of Congress became brokers of offices, as well as legislators, all their acts and votes began to bear the suspicion of being commercial transactions. This unholy alliance between the executive and legislative departments, which the Constitution created to be distinct, separate, and independent, has wrought no good to either. It is an intermingling of the *personnel* of the two which the law does not allow. It has paralyzed the executive in the administration of the government by destroying its independence. It has prevented the revenues from being collected, and caused the public moneys to be squandered. It has imported the alien curse of "patronage" into a government which ought to give an open career to all. In a republic, which must always be divided into parties, it has debased their contests into struggles as to which partisans shall fill the public offices, instead of developing a noble strife for the success of principles and measures upon which the prosperity of the country is believed to depend. More than any one cause it has tended to estrange one portion of the nation from another, and to embitter the feuds and inflame the passions which at last lighted the fires of civil war.

Now, when this long and bloody conflict has ended, and the grass is growing over its graves; when the republic is being reconstructed upon the principles of the immortal Declaration, its original corner-stone, it has seemed to me wise that in matters of administration we should also return to the principles upon which our fathers set this government in motion. I would restore the executive to its original independence, and remit the legislature to its appropriate sphere. What the bill proposes is simply to furnish means to the Executive to obtain, independent of dictation from any quarter, competent and faithful persons to perform the duties required of that department by the Constitution and the laws. This is the origin, the aim, and the scope of this measure. The commissioners and their assistants are the eyes, the ears, and the mind of the Executive for the selection of instruments; they have no power, no patronage; they can neither reward friends nor punish enemies. It is true that they may not

do their work as well as all would wish it to be done ; they can be but men, and consequently fallible instruments ; but no one can deny that they will be better than no instruments at all. Even if this board should degenerate into a partisan machine, yet in course of time it must become the instrument of different parties ; and it seems to me better, if our offices are to be filled with partisans, that we should secure the best material of each party by this mode of selection, instead of some of the worst, as we do now. And it is the worst of bad logic, as well as the poorest of compliments to say to the President that because he may fail to select the four men best qualified for this board, that therefore he should not have the aid which this bill gives him, but be obliged to select through the present more fallible and less impartial instruments the more than forty thousand officers within the scope of this measure. The same rule applies to each one of the forty thousand, that those who argue against me seek to apply to each one of the four. The false logic is too apparent, and the corruptive which advances such sophistry cannot escape detection. Under the present system the range of selection is confined to the personal and political friends of the politicians who push their favorites. Under the proposed system the choice must be made from the whole American people. The constituency is as numerous as the nation. Why should not the republic have the choice of its best sons for its service, instead of being obliged to grope around among the refuse for its servants ? Why should it not go at once into its vigorous forests of native growth for its timber, instead of endeavoring to pick out some passable stick here and there from among the political driftwood of its periodical freshets ?

I have heard it said by a member of a former Congress, I might say more than one—I say nothing of any member of the present Congress—that he thought he could choose better officers for his district than any board of examiners whatever. Each of such former members might have spoken, not his belief only, but the truth. In no case have I been disposed to question it, but it never seemed to have occurred to those former members that the selection of executive and administrative officers was no part of their constitutional duty. It was just what they were elected not to do. They had no more right to claim or exercise any portion of the executive power than of the judicial. I can fill a volume of quotations from the fathers to show how unwarranted, by authority or tradition, such a claim is on the part of members of the Legislature. It is one of the many corruptions that have threatened to change the character, if not destroy the existence of this government, by the intermingling of the functions of the branches which the Constitution created as separate and declares to be distinct. The evil of some of these attempts has been so glaring that they have been cut off by penal statutes. One was the seeking of con-

tracts by members; another, the use of influence at the departments for any purpose for a consideration, and the soliciting of offices for hire of money. It has been found necessary to purge Congress of these corruptions by prohibitory and penal statutes. So far have these statutes gone as to prohibit a member of Congress from being solicitor for a claimant in the Court of Claims, from acting as attorney for any claimant before any department or public officer, and even from arguing a case in court for a fee in which the government is a party. The great, the chief of these corruptions which yet remain unprohibited and unpunished, is the attempt to gain control of appointments to office, the wielding of the so-called executive patronage, and the exercise thereby of a share in the executive power.

LEGISLATIVE AND EXECUTIVE DUTIES SHOULD NOT BE INTERMINGLED.

Upon this subject I speak only for myself. I do not know that the opinions of any other member of Congress will, in this respect, coincide with mine. I do not intend that my words shall express a criticism upon either the language, the opinions, or the conduct of any other member of Congress. The constituency which I have the honor to represent, not inferior to any other constituency in any respect, elects one of the representatives of the people in the Congress of the United States. It is his duty to scan closely the measures proposed by the executive department to vote for furnishing means for carrying on the government according to the views of the administration, when convinced that these demands are warranted by law, and are in other respects reasonable and proper, and for denying them when not needed, or when the means might be used for improper purposes. In the district and among the people I represent, the government of the United States is felt through its officers of customs and internal revenue; indeed, few districts acknowledge the tax-gatherer's presence by larger contributions; and is welcomed by its postal conveniences, the presence of its judges, and its occasional and somewhat fitful aid to commerce and manufactures. It shares with all other districts an equal right in making laws for the whole country, and sends a representative here for that purpose. But it is no more a part of that representative duty to seek and dispose of executive offices, than to solicit pardons for traitors or condemned criminals. It is a part of his duty to prevent the appointment of incompetent persons by general law if he can, if not by personal remonstrance.

But if, as a matter of personal or political favor, he goes to the State Department to beg a consulate, or perhaps something higher, for a friend, or to the Treasury for an office within its gift, he is made to feel, if his natural instincts are not sensitive enough to be impressed before going

there, that he surrenders his independence as a legislator when he accepts the gift, and that the person and the power which grants his request will not be slow to claim his assistance in the Capitol when it is needed. I know there are ingenious ways for covering up this barter. The Secretary may say that he defers to the superior means of knowledge and to the judgment of the member in selecting his appointee, and may claim the member's vote upon an exceptional measure, upon the ground of allegiance to party. But, nevertheless, the bargain is made. Perhaps I could select as good executive and administrative officers in my district as any board of examiners could choose for the government, but when I am tempted to enter upon this business, I am checked by the reflection that I should be a mere volunteer. The people have not charged me with it; the Constitution does not require it of a legislator; the Executive has not yielded it; and its exercise would seriously interfere with the performance of my proper duties.

The Constitution contains a clause in restraint of bribery; the laws enacted to carry that clause into effect are full of penalties upon the use of money and the receipt of it by and among legislators. I do not see the difference between the bestowal of the gift of the nomination to an office upon a member, to be passed over to his friend, a political creditor, and the largess of a measure of coin for the same purposes. It may be a peculiarity of my own mental vision, but I cannot think I am doing my country service by becoming the almoner of my party in the distribution of administrative offices, when at the same time I am assuming obligations to the executive power which are inconsistent with my position as an independent legislator. It is my duty to aid the government in procuring the best service that its salaries will bring, in every district and in all localities where the flag floats; and that result I am endeavoring to secure by general law, with such persistence and ability as have been allotted me. But no provision in the Constitution, no law, no healthy custom, authorizes the blending of the legislative and executive duties in this illicit manner. I do not belong to the executive department, nor has that department any claim upon me as a representative to relieve it from the proper and responsible exercise of its duties, or to stifle my criticism or choke my opposition to their improper exercise, by inviting or permitting me to share its power. If I perform the duties with which I am charged under the Constitution, I must stand aloof from the other departments of the government, and exercise the utmost vigilance which I possess, and which my constituents expect of me, to see that the officers of the other departments perform the duties which the Constitution and the laws require of them; and if the laws are weak and insufficient, to urge a remedy by new and wise legislation, which, with regard to one defect, I believe I am now doing.

THE PRACTICE AND ITS RESULTS IN THE FIRST FORTY YEARS OF THE
GOVERNMENT.

We all know how in the early days of the republic, appointments to civil office were the subjects of personal care and supervision by the President and heads of departments. The correspondence as to the character, fitness, integrity, and patriotism of candidates was thorough and exhaustive. When the testimony concerning qualifications was balanced or doubtful, a personal acquaintance was not unfrequently sought, and its results determined the choice. The exercise of this intelligent care produced its legitimate results. For the first forty years of the existence of this government under the Constitution, no people ever had a more faithful and efficient body of public servants. Frauds, peculations, and defalcations in the civil service were almost unknown, and so heinous was the offense deemed, that the few perpetrators, in almost every instance, fled the country. Personal supervision by responsible and capable chiefs was possible in those days, when the numbers of the force were few. The service was honorable; its members were respected; removals for cause were few; political opinions were not deemed a cause; and though very commission limited the term of office to the pleasure of the President, it was practically for life. Under that system the revenues were faithfully collected, the public money honestly kept and disbursed; our prosperity increased; the direct and indirect taxes, save the customs, were removed; the government, although generally called an experiment, gained the confidence of the people and of the world; its credit was strengthened and remained unimpaired; its revenues were increased; its debts incurred in its two great struggles for existence extinguished..

THE CHANGE AND THE TIME OF IT UNFORTUNATE.

It was especially unfortunate that the change which made the civil offices of the government the spoils of party, and the government itself a political machine, operated for the benefit of a party, took place at the time when the receipts from customs exceeded all lawful expenditures, and were canceling the debt. While the Treasury from this source was being filled to overflowing, the people did not feel the burdens of taxation, and did not scrutinize closely the details of administration. They grew heedless of the extent and unmindful of the consequences of the viciousness and of the corruptions that were eating into the life of the republic. If it were not that every one is now made to feel the pressure of the great national debt, the price of the nation's life as the former debts were of liberty, there would be little hope of rousing the nation to overthrow the vicious political system which from forty years sufferance has almost become an accredited custom.

THE ANTICIPATED RELIEF.

This nation, yet in its youth, has had to struggle for its life with two enormous evils. One, the curse of slavery, had coiled itself like a serpent around the young republic, and when its black folds had encircled every limb of the government, it sought to crush out the spirit of liberty, the soul of the republic. The effort of the nation to free itself from the crushing grasp of this reptile enemy was the greatest civil war of all times. While every energy was thrown into this struggle, another equally insidious and dangerous enemy, born of the strife itself, enveloped and almost paralyzed the force which finally laid the first foe dead at its feet. This second serpent is the debt which now oppresses the nation, and within whose folds these thousand corruptions which we complain of are bred and have their existence. It is true, as argued by Mr. Woodward of Pennsylvania, that if we did not have this debt, and the necessity attending it, of raising and disbursing immense sums of money, we should not have these corruptions in their present magnitude. The proposed reform is one of the methods of strangling this monster also. When the energies and intelligence of the people are bent upon this enterprise there can be no doubt as to the result. This young nation will deal with its debt as with slavery, and both, like the serpents sent to strangle the infant Hercules, will themselves be destroyed in its vigorous and conquering grasp. It will hardly have commenced its career till these two enemies shall have been annihilated.

It has been demonstrated over and over again, that our tax and tariff laws call for \$400,000,000 of revenue annually, and that but \$300,000,000 reach the Treasury. That this missing \$100,000,000 is lost by the incompetency and rascality of some branches of the civil service, has also been fully proved. Greater care in the selection of our servants will secure men who will see that this \$100,000,000 will be restored to the Treasury, and enable the government to purchase its indebtedness before it comes due. If we find the right men for the service they will find that lost dollar out of every four, that quarter out of every dollar, which eludes the grasp of our present revenue officials. Our problem is to find men honest enough, intelligent enough, faithful enough to seize that missing dollar which in the year swells to the enormous aggregate of \$100,000,000, and toss it into the Treasury, instead of letting it slide into the pockets of corrupt officials and their confederates.

WHAT IS GAINED BY COMPETITIVE EXAMINATIONS.

But, says Mr. Woodward, this cannot be accomplished by competitive examinations, and he argues as if the whole scope of the bill was limited to these. He holds them up to ridicule as being the contests of boys just

from school, determining nothing but a superior flippancy and superficial excellence. He does not deem such an academic contrivance worthy of being admitted into the serious business of life. He entirely omits the consideration and value of the probations. He forgets that in some branches of this very business of public employment, a competition is constantly going on in which the employers are the examiners. We see it in the halls of Congress every hour. The stenographers who take down and report every word uttered, have achieved their positions by admitted, excellence in the most vigorous of competitive examinations and trials. The gentlemen in the gallery over the Speaker receive their credentials and cards of admittance after a more severe scrutiny into their qualifications, than any candidates for the government service will ever be required to submit to. Every live business that is going on around us is organized on this principle, which is absent from the government service alone.

This examination into qualifications and character will render ineligible for the administrative branches of the public service all the idle, the lazy the drunken, the dissolute, the incompetent, the vicious, the thievish. It will exclude the shoulder-bitter, the garroter, the repeater, the pipe-layer the ballot-box smasher, the false oath taker, the ward-room bully, the primary meeting manager, the ballot changer, the smuggler, the rioter, the peculator, the gambler, the thief. But in this representative republic the avenues to elective offices will continue to be open to all these. They may become alderman, mayors, governors of States, congressmen, and in some States even judges, by the popular choice. This reform is limited to an humbler sphere, though one which vitally affects the public interests. It simply provides that skill and vigor, in striking straight out from the shoulder, when brought to bear in behalf of either party in a strife to capture a ballot-box or to smash it, shall not be considered evidence of the champion's qualifications for an office in the appraiser's department of a custom house, or a clerkship in the State Department; and that alacrity and facility in doing the dirty work of a party, shall not entitle the person adorned by these qualities to a place where he shall handle the public moneys. I have no fear that the persons who seek these lesser places, will be too learned or too competent. Young men who seek the great prizes of life, will not imprison their energies or capacities in this limited sphere. We shall not coax distinguished scholars, adorned with university honors, into post office clerkships, or make them custom-house weighers or whiskey gaugers. We shall not require Hebrew and Greek in the Indian Bureau, or the higher mathematics in the State Department. But we shall require, and shall succeed in obtaining, fitness for our work.

FIDELITY IN THE MINOR OFFICES WILL SECURE INTEGRITY IN THE HIGHER.

But it is objected that as this measure deals only with the inferior offices, it will not check the thieving which Mr. Butler, of Massachusetts, alleges is chiefly performed by those of higher grade. He insinuates, although he has not directly asserted, that the deficiencies in the revenue are owing more to the vices of collectors and assessors than to the clerks and subordinates. But if their clerks and subordinates are honest, faithful and diligent, how can their superiors be dishonest without detection? No one knows better than the gentleman from Massachusetts that the money is not stolen after it comes into the hands of these great officers, or into the coffers of the State. These magnates do not boldly commit grand larceny with comparative impunity, for they are surrounded by too many checks to make this kind of appropriation safe. It would be as great folly for them to make such an attempt, as it would be for a covetous commander of a department in war time to put his hand into the military chest and convey the contents to his own pocket. Such great embezzlements cannot be effected without a back door to his headquarters, and convenient and pliable aids, quartermasters, commissaries, sutlers, and storekeepers—his creatures, ready and willing to join in the public plunder. If the dishonest collector cannot have his choice of instruments; if, on the other hand, all his subordinates are selected for their honesty and capacity by men over whom he can have no influence or control, then they are guards over him, as well as over the smugglers he would favor, and speculation becomes impossible, except by actual crime. Each is a watch over the other, and if one becomes a thief, detection will be quick and punishment certain. I do not deny that large sums have been diverted from the Treasury by the connivance of the higher officers, but it has been done with comparative impunity, only when they have had the designation of their subordinates, who have been in fact their accomplices.

WHAT SORT OF AN ARISTOCRACY IT CREATES.

Of all the objections to the proposed reform the most singular is, that which denounces it as creating an aristocracy which may tend to change the character of our republican institutions. An aristocracy is generally understood to be a governing class, which through the chances of fortunate birth, great wealth, family connections, social influence, and special education are enabled to exercise a controlling power in the government. We associate the term with great estates, liberal expenditures, fine equipages, lordly manners, brilliant assemblies, armorial bearings, and all the insignia of hereditary nobility. But alas for the comparison! Within the scope of this bill there are not a hundred officers whose salaries are

over \$3,000 a year, and the average is less than \$1,200. These are filled with hard-worked drudges, whose hours of toil are from six to ten each day. An aristocracy of deputy collectors, clerks, inspectors, mail agents, Indian agents, letter carriers, light-house keepers, and tide waiters! It is true that the bill provides means for obtaining the best persons for these places; but he who can see an aristocracy in this host of subalterns—in the offensive or dangerous meaning of that term—must be in that calenture of the brain which can discern green fields in the waves of the sea, or observe men as trees walking. It is a mirage of an over heated intellect.

If such an aristocracy were created by this measure, we should see the flower and cream of it here in Washington. Its lords would be the poor clerks who perform dusty drudgery in the departments, and beg and beseech us for an additional twenty or ten per cent of pay, in order that they may meet their board and grocery bills; and the queens of that dangerous society would be the poor women who clip and count the paper currency in the Treasury, or copy records in the Patent Office. These "bloated aristocrats" on \$1,800 a year, and these "flaunting ladies" on \$900, may disturb the dreams of the gentleman from Illinois [Mr. Logan], but the Constitution can withstand their insidious plottings. Although we deal only with subalterns, there is not enough in this aristocratical notion to bring out of it a new farce of "High life below stairs." It runs itself into the ground without comicality.

It is true that they form a class by themselves, excluded from the actual business of the world, and seeming to be connected with the business of the State, earning a miserable pittance by reluctant labor, their energies paralyzed, and their hopes extinguished by the uncertain tenure of their employment; but that they should ever become one of the dangerous classes is a new if not a patentable discovery. Among them are some noble, faithful, earnest, hard-working men and women, worthy of respect and deserving of honor. Would that they were all such, and that hereafter they may be, is one of the objects of this measure. I have not met with one of this better class who has not said to me, make your tests by examination and probation as rigid as you please; we will gladly submit to them if, after having passed them honorably, our offices shall thenceforth become permanent and respectable. They know and feel, and the whole people are beginning to perceive that the aristocratic element in our system is the patronage which bestows its gifts upon favorites, which removes faithful public servants from caprice, and which places the worthy beneath the worthless.

That merit shall have the places it deserves is the true republican doctrine, and the measure which is devised to bring forward and advance

merit, and merit alone, in the public service, is the keen edge of the axe to the root of these alien, corrupt, aristocratical practices. Its benefits will be at once felt in the better spirit and higher tone which will be developed in each officer. Hitherto the position of all these subordinate officers has not been merely a service, but a servitude. The mode of obtaining office, and the servility necessary to retain it, have brought into action the worse qualities of those thus serving. But when the officer obtains his place by his qualifications for it, holds it during efficiency, and can be advanced by merit, he becomes independent of the courtier's or politician's arts, and his best qualities are developed instead of his worst. Not the least beneficial effect of this measure in this era of emancipations, will be the abolishment of the servitude of office, which has been a blight upon the service and a curse to the republic.

I admit that if the measure should be strictly enforced, the government servants would become a class with distinctive qualities. In that class would be found only the qualified, the honest, the faithful, the capable, the energetic, the patriotic, the competent, while the opposites of all these would be turned back at the doors of the examination halls. It brings into the public service only the skilled laborer, whose education has been in a great measure completed before he receives his pay from the people's money; while under the present system the people pay the greater portion of those who are thrust into their service while their education is going on, and which in many cases never is, and never can be, completed. The proposed law elevates the meritorious and rejects the unworthy. If this be "class legislation," make the most of it.

The most disingenuous of the attacks upon this measure is, that it creates a life tenure of office in these subordinates. The present bill is so drawn as to remove any possible pretext for that charge. It merely holds on to the faithful officer, as long as he performs his duties efficiently; when he falls below the standard it puts him out. The interest of the government only is regarded, not that of the servant. It may be cruel in many cases to the old and meritorious officer, but it is the hard condition upon which he is allowed to serve at all.

It is also argued against the provision for promotions for merit by the gentleman from Illinois, that it might be used unfairly, as he intimates some advancements were made by boards during war time. Again we meet the same false logic that was used with regard to the commissioners. Because individual cases of favoritism or incorrect judgment may occur in the administration of a system framed for just ends, therefore no such system should be established at all, but every thing should go by favor and the consideration of merit be entirely excluded. Because merit might not in a few cases get the desert to which it is entitled under this system

therefore merit should not have the chance to win desert at all in the public service. This is the sum of that so-called argument.

Nor is it a valid objection to the measure that it does not include the higher officers. By the Constitution these are left to the exclusive jurisdiction of the President and Senate. It is a most insidious opposition to a measure that it does not go far enough. It is a part of the false logic I have already commented upon, that would argue that we should not attempt to do any good, because we do not undertake at one effort all that may be supposed attainable. But the limit in this case is not of my seeking: it is found in the Constitution itself. The most that can be done in that higher sphere is, to give the higher powers the use of the means which we create. The bill proposes to do this. For the results we are not at all responsible, for they are now, and must continue to be, beyond our jurisdiction or control.

WHY THE EXPERIENCE OF OTHER COUNTRIES SHOULD BE TAKEN
ADVANTAGE OF.

It is objected that the examples drawn from other governments, "despotic or monarchical," "never can or ought to become a rule for a free republic." "It is one of the great vices of the bill," says he, "that it is, not built upon the American ideas of government, but upon those of the Old World." He says, further, that our Constitution "starts all the people even in the race of life, and recognizes no distinctions except such as they create themselves." This is precisely what this bill proposes to secure to every citizen, according to the spirit of the Constitution as the gentleman interprets it. Across the avenues to public employment are now placed bars which are taken down only for political and personal friends of the person who holds the appointing power, or for those who have exerted influence for the party to which that person belongs, or to those who may work for that party, if admitted within the magic circle of office. This measure proposes to throw down all these bars. Every one is to have a fair chance. Every young man in the country is to have the opportunity, if he chooses, of competing for the privilege of entering the public service, and to be entitled to the right to enter it, if he proves that he has prepared himself for it better than his competitors. Its principle is, that the people have a right to the service of the best men, and that the best men have the best right to serve the people. If this be not the true idea of the republic, my studies have been in vain. And even if the selection should be confined to the party in power, the honest application of this measure would secure the services of the best material from each party as it came in power, instead of admitting some of the worst of each as under the present system.

But the idea that we should not take a hint from the improvements in the machinery of administration made in other countries, because their governments are "despotic and monarchical," is as ridiculous as it is preposterous. The same rule would require us to reject the steam-engine, the railway, and the locomotive, because they came from Great Britain, and the art of printing because it came from Germany, and all inventions and discoveries in the arts and sciences which may originate among the subjects of the emperor of the French, or the autocrat of all the Russias. These free trade men upon all articles of manual manufacture would be prohibitionists upon ideas and inventions. They forget that the science of government is progressive, and that all improvements in it are the common property of the human race, to whom governments of some sort are a necessity. The great family of civilized nations are continually borrowing from and giving to each other, [and gaining by the exchange. It never could have entered into the mind of any but a Pennsylvania Democrat, who has been educated in the belief which he still clings to, that the administration of Andrew Jackson was the perfection of civil government, that we should not seek and receive lessons from the experience of other civilized nations, especially when that experience is in the line of our own innovations upon ancient traditions in opening a career for the children of the people, and not merely for "privileged classes" and "aristocratic ranks," or "the younger sons of a landed nobility."

We should remember that our present system of appointments to office is of monarchical origin, and is copied from that of the parent nation. Our fathers adopted the best system which they knew of. They did not invent any. The offices which they created were to be held at the pleasure of the President. The commissions for all inferior offices within the scope of this bill, still read that the office is to be held during the pleasure of the superior from whom the appointment is received. This, in 1787, was the best known mode, and the fathers of the republic adopted it as the best. It was not till some years later that the French republic discovered a better. But, like many good things evolved in that Revolution, it was lost sight of among its companion evils, and has but recently become apparent to the civilized world. And when its value has once been discovered, we look further and find that it has existed as an immemorial usage, in the most ancient of civilizations, and that it is the secret of the long continuance of the government of the greatest of the oriental nations. Like many other arts and inventions, it was known to them before our civilizations were born.

We are constantly borrowing ideas in jurisprudence and in legislation from other countries. All our jurisprudence is based upon that of the country from which our first colonists emigrated,—England, monarchical

England. Our government itself, with an executive chief, our representative legislature and independent judiciary, are all copied from the same model. We have made what we think are many improvements upon that system, but if we should reject other improvements made in the parent country because first made there, we might as well reject the parent system itself. Underlying all our constitutions, all our legislation, colonial, State, and national, is the great common law of England; a system of jurisprudence whose merciful maxims, wisely administered, have done more for the improvement of the human race in civil government than any utterances save those upon the Mount—the common law of England, which is to-day the rule of action for more millions of the human race than any other system of jurisprudence which ever emanated from man's experience; whose vigorous root and giant growth have sent its offshoots over the land and under the sea, wherever colonies of the parent nation have been planted, on every continent and in every clime; which have again taken root and flourished with a vigor equal to the parent stock; who fair flower has been the perfect freedom of thought and speech to all whom it shelters, and whose ripe fruit is the perfect equality of all men before the law. It would be as unwise so reject any improvements upon that law, as to attempt to reject the law itself. And as of the law, so of improvements in administration which are akin to it. Nothing can be more foolish than for any man to believe that all wisdom dwells in one man's head, or in the practice and policy of any one nation. We render to other nations far more striking results of experience in civil government than they can give to us, for in them history but repeats itself in the main; and while we absorb yearly some hundreds of thousands of their citizens, we should be unwise to reject the practices by which they make their administration more perfect and their governments more secure.

THE ECONOMY OF THE MEASURE.

In its economical aspect I also ask for this measure the approval of the House and of the country.

The gentleman, Mr. Woodward, of Pennsylvania, has figured up the annual expense of the commission, including all salaries and incidental expenses, at about \$60,000, and I think they would not exceed that sum. He omits to estimate the credit to which it would be entitled from the receipt of fees; nor does he reflect that the sum of the salaries of the appointment clerks now employed in every department, and in the principal post offices and custom houses exceeds all the salaries and expenses of the commission. This mote in his eye prevents his seeing the hundred millions that we lose for want of some system like this. On the day when this measure was defeated by a majority of two votes in this House

in the Thirty-Ninth Congress, a fraud was detected in the Treasury, perpetrated by a clerk who had procured his appointment under an alias, which could not have been done if the proposed commission had been in existence, to an amount which would have paid the expenses of a commission for a year. While the bill was under debate during the session of the Congress just closed, the amount discovered to have been lost in the drawbacks frauds in a single custom house, and which never could have been committed under the proposed system, would have paid the expenses of the commission for at least ten years. I speak only of particular instances of discovered embezzlements. We all know that the amount which annually disappears from our revenues, would pay the expenses of the commission for a thousand years. We hire the reapers that the harvest may be gathered; but parsimony like that which begrudges the expense of this inquest, would let the grain rot on the ground before it would pay the hire of the laborer.

Nor is this loss alone in the failure to collect the revenues; it is almost as flagrant in the expenditures. The chairman of the Military Committee in the last House declared on this floor that out of every dollar appropriated for the benefit of the Indians but twenty cents was ever received by them. We have just appropriated \$4,500,000 for their benefit, and on his estimate eighty per cent of this sum must be a dead loss. We have also just appropriated \$8,000,000 for the collection of our internal revenue, about five per cent on the total receipts; while in other countries, with a well-ordered revenue service, it costs less than two and a half per cent for collection. In the customs the cost of collection is about equally extravagant. Much of the loss is due to positive dishonesty; nearly, if not quite, an equal amount to incapacity. We do need an accession of intelligence as well as integrity to this branch of the civil service, although from what has been said in former discussions some members do not seem to think so. I have seen custom house clerks who knew no more of the foreign weights and measures in the invoices placed before them, and of the coinage in which the articles were valued, than they did of Sanscrit; and appraisers who had no more idea of the manner in which the goods they were called upon to value were manufactured, or of the cost of manufacture, than of the physical constitution of the moon; and gaugers who could not read the instruments put into their hands; and collectors and inspectors to whom the common chemistry of distillation was as much unknown as any of the lost arts. A former member of the House of Representatives told me of one who said he could tell the strength and quality of whiskey better by the "taste and the bead" than he could by any of "these new-fangled instruments." It would require numerous relays of such officers to obtain correct returns from a single distillery. There is as much

abstracted and withheld from the revenue under the noses of incapables, as through connivance with the dishonest. The government is plundered as well as defrauded; and so great is the extent of the thievery that the amount of it would buy up the national debt before it is due. Is it not a measure of economy to furnish means to the executive department to present a check to these gigantic frauds? It may not be thoroughly successful; no legislative measure can be; no millennium can be brought about by act of Congress. Yet the service can be improved by it. This measure simply proposes to fill a void in the present system, caused by the great growth of the country and its business. The garments which clothed it in its youth are now altogether too small for it. We must provide for its present and future gigantic proportions. We cannot return to the simpler and cheaper practices of earlier days. This government cannot be set back into the condition in which it was in the days of President John Quincy Adams. You might as well undertake to remand it to the colonial condition. All our legislation should be based upon the possible requirements of fifty States and a hundred million people. We shall reach that stature before the heads of our young men shall grow white; and if the government shall have honest and capable men in its service and no others, the present burdens of taxation upon the people would diminish so rapidly, that their previous existence would be as soon forgotten as was the debt of the war of independence funded by Hamilton. Those with whom we deal financially must not only be impressed with the extent of our resources, but also must be made to have faith in the honesty of the administration of our revenues. The credit of this government would stand higher than any other upon the money exchanges of the world, and the government itself would receive what is its just due—the respect, the reverence, and the love of all mankind.

Below we give a copy of Mr. Jenckes' proposed bill.

A bill to regulate the civil service of the United States.

Be it enacted, &c., That hereafter all appointments of civil officers in the several departments of the service of the United States, except postmasters and such officers as are by law required to be appointed by the President, by and with the advice and consent of the Senate, shall be made from those persons who shall have been found best qualified for the performance of the duties of the offices to which such appointments are to be made in open and competitive examinations, and after terms of probation, to be conducted and regulated as herein prescribed.

SEC. 2. And be it further enacted, That there shall be appointed by the President, by and with the advice and consent of the Senate, a board of four commissioners, who shall hold their offices for the term of five years, to be called the civil service examination board, among whose duties shall be the following:

First—To prescribe the qualifications requisite for an appointment into each branch and grade of the civil service of the United States, having regard to the fitness of each candidate in respect to age, health, character, knowledge, and ability for the branch of service into which he seeks to enter.

Second—To provide for the examinations and periods and conditions of probation of all persons eligible under this act who may present themselves for admission into the civil service.

Third—To establish rules governing the applications of such persons, the times and places of their examinations, the subjects upon which such examinations shall be had, with other incidents thereof, and the mode of conducting the same, and the manner of keeping and preserving the records thereof, and of perpetuating the evidence of such applications, qualifications, examinations, probations, and their result as they shall think expedient. Such rules shall be so framed as to keep the branches of the civil service and the different grades of each branch, as also the records applicable to each branch, distinct and separate. The said board shall divide the country into territorial districts for the purpose of holding examinations of applicants resident therein and others, and shall designate some convenient and accessible place in each district where examinations shall be held.

Fourth—To examine personally, or by persons by them specially designated, the applicants for appointment into the civil service of the United States.

Fifth—To make report of all rules and regulations established by them, and of a summary of their proceedings, including an abstract of their examinations for the different branches of the service, annually, to Congress at the opening of each session.

SEC. 3. And be it further enacted, That all appointments to the civil service provided for in this act, shall be made from those who have passed the required examinations and probations, in the following order and manner:

First—The applicants who stand highest in order of merit on the list of those who have passed the examination and probation for any particular branch and grade of the civil service, shall have the precedence in appointment to that branch and grade, and so on in the order of precedence, in examinations and merit during probation to the minimum degree of merit fixed by the board for such grade.

Second—Whenever any vacancy shall occur in any grade of the civil service above the lowest in any branch, the senior in the next lower grade may be appointed to fill the same, or a new examination for that particular vacancy may be ordered, under the direction of the department, of those in the next lower grade, and the person found best qualified shall be entitled to the appointment to fill such a vacancy: Provided, That no person now in office shall be promoted or transferred from a lower to a higher grade, unless he shall have passed at least one examination under this act.

Third—The right of seniority shall be determined by the rank of merit assigned by the board upon the examinations, having regard also to seniority in service; but it shall at all times be in the power of the heads of departments to order new examinations, which shall be conducted by the board, upon due notice, and according to fixed rules, and which shall determine seniority with regard to the persons ordered to be examined, or in the particular branch and grade of the service to which such examinations shall apply.

Fourth—Said board shall have power to establish rules for such special examinations, and also rules by which any persons exhibiting particular merit in any branch of the civil service, may be advanced one or more points in their respective grades; and one-fourth of the promotions may be made on account of merit, irrespective of seniority in service, such merit to be ascertained by special examinations, or by advancement for meritorious services and special fitness for the particular branch of service, according to rules to be established as aforesaid.

SEC. 4. And be it further enacted, That said board shall also have power to prescribe a fee, not exceeding five dollars, to be paid by each applicant for examination, and also a fee, not exceeding ten dollars, to be paid by each person, who shall receive a certificate of recommendation for appointment or for promotion, or of seniority, which fees shall be first paid to the collector of internal revenue in the district where the applicant or officer resides, or may be examined, to be accounted for and paid into the Treasury of the United States by such collector, and the certificates of payment of fees to collectors shall be forwarded quarterly by the commissioners to the Treasury Department.

SEC. 5. And be it further enacted, That said board shall have power to prescribe, by general rules, what misconduct or inefficiency shall be sufficient for the removal or suspension of all officers who come within the provisions of this act, and also to establish rules for the manner of preferring charges for such misconduct or inefficiency, and for the trial of the accused, and for determining his position, pending such trial.

Each member of said board shall have the power of administering oaths in all proceedings authorized by this act, and testimony may be given orally by witnesses in any hearing before said board or any member thereof, or by deposition to be taken in the manner prescribed by law, or upon such notice and in such manner as said board shall, by general rule or special order, direct.

Sec. 4. And be it further enacted, That any one of said commissioners may conduct or superintend any examinations, and the board may call to their assistance in such examinations such men of learning and high character as they may think fit, or in their discretion, such officers in the civil, military, or naval service of the United States, as may be designated from time to time, on application of the board, as assistant to said board, by the President or heads of departments, and in special cases, to be fixed by rules or by resolutions of the board, they may delegate examinations to such persons, to be attended and presided over by one member of said board, or by some person specially designated to preside.

Sec. 7. And be it further enacted, That the said board may also, upon reasonable notice to the person accused, hear and determine any case of alleged misconduct or inefficiency, under the general rules herein provided for, and in such case shall report to the head of the proper department their finding in the matter, and may recommend the suspension or dismissal from office of any person found guilty of such misconduct or inefficiency; and such person shall be forthwith suspended or dismissed by the head of such department, pursuant to such recommendation, and from the filing of such report shall receive no compensation for official service, except from and after the expiration of any term of suspension recommended by such report.

Sec. 8. And be it further enacted, That the President shall have power at any time to revoke and cancel the commission of any officer appointed in pursuance of the provisions of this act; Provided, however, That said revocation and cancellation shall not take effect, if said officer demand a trial upon charges to be preferred against him, in the manner prescribed in this act, within thirty days from the time of being served with notice of such revocation and cancellation, unless he shall be found guilty upon his trial of the misconduct or inefficiency alleged against him in such charges. The discontinuance of an office shall discharge the person holding it from the service.

Sec. 9. And be it further enacted, That the salary of each of said commissioners shall be \$5,000 a year, and the said board may appoint a clerk at a salary of \$2,500 a year, and a messenger at a salary of \$900 a year; and these sums, and the necessary traveling expenses of the commissioners, clerk, and messenger, to be accounted for in detail and verified by affidavit, shall be paid from any money in the Treasury not otherwise appropriated. The necessary expenses of any person employed by said commissioners as assistants, to be accounted for and verified in like manner, and certified by the board, shall also be paid in like manner.

Sec. 10. And be it further enacted, That any officer in the civil service of the United States at the date of the passage of this act, other than those excepted in the first section of this act, may be required by the head of the department in which he serves, to appear before said board, and if found not qualified for the place he occupies, he shall be reported for dismissal, and be dismissed in the manner hereinbefore provided, and the vacancy shall be filled in manner aforesaid, from those who may be found qualified for such grade of office after such examination and probation, as is hereinbefore prescribed.

Sec. 11. And be it further enacted, That any person appointed and commissioned in pursuance of the provisions of this act, may be required to serve in the branch and grade to which he may be appointed in any part of the United States, where the head of the department in which he serves may think proper, and in case of removal from one place of service to another, the necessary traveling expenses of such officer, to be ascertained and allowed according to fixed rules, shall be paid out of the Treasury.

Sec. 12. And be it further enacted, That all citizens of the United States shall be eligible to examination and appointment under the provisions of this act, and the heads of the several departments may, in their discretion, designate the offices in the several branches of the civil service, the duties of which may be performed by females as well as males, and for all such offices females as well as males shall be eligible, and may make application therefor and be examined, recommended, appointed, tried, suspended, and dismissed, in manner aforesaid; and the names of those recommended by the examiners shall be placed upon the lists for appointment and promotion in

the order of their merit and seniority, and without distinction, other than as aforesaid, from those of male applicants or officers.

Sec. 18. And be it further enacted, That the President, and also the Senate, may require any person applying for or recommended for any office which requires confirmation by the Senate, to appear before said board and be examined as to his qualifications, either before or after being commissioned; and the result of such examination shall be reported to the President and to the Senate.

COMMISSIONER DELANO'S DECISION UPON THE TAXING OF BORROWED CAPITAL.

On the 30th ultimo, the Solicitor of Internal Revenue delivered an opinion on the appeal of one of our leading Wall street firms against the taxing of the borrowed money employed in their business as brokers; and upon the strength of the Solicitor's conclusion, Mr. Delano confirms the assessment of Assessor Webster, against which the appeal is made.

This decision affords a new illustration of the proneness of revenue officials to interpret all doubtful cases of claim arising under the law, in favor of the Government and against the people. This policy is impolitic and mischievous. It encourages the idea that the Government is hostile to the people, and not their creature and protector. Congress passes the law: if it is not clear in its application to any particular class or case, the official should refer it back for Congress to determine its intention, and make it clear if it desires. And when power is given to a Government officer to decide a question in dispute, he takes a very limited view of his duties, when he plays the part of an advocate, and gives the Government the benefit of the doubt. The true principle was well laid down by Frederick the Great of Prussia, in giving instructions to his judges upon their appointment. "If a suit arises," (he was accustomed to say) "between me and one of my subjects, and the case is a doubtful one, you should always decide against me." In the interpretation of statutes, this is the rule which invariably prevails in our courts, and especially where the statute is penal, or in the nature of a fine or tax. On the contrary, however, our revenue officials appear to act as if the faintest show of authority in the law was sufficient basis upon which to found a decision in favor of the Government. Just such indiscreet zeal for the collection of the utmost dollar of revenue, is what renders taxation odious, and creates dissatisfaction toward governments. We could desire no better exemplification of this shortsighted policy than is afforded by Solicitor Smith's argument on this appeal. He does credit to himself by making up the best possible case in favor of an unsound decision; but he does discredit to the Government by a conclusion which, according to our view, is totally unsupported by law or common sense; the credit and the discredit, however, are due to the fact that, as an officer of the Government, he acts as if he thought it his duty to make a decision in favor of his client.

The whole gist of the dispute turns upon the question what is the meaning of the term "capital," as used in section 110 of the act of June 30, 1864. That section, after imposing a tax of one twenty-fourth of one per cent per month upon the *deposits* with any person, bank, association, company, or corporation engaged in the business of banking, and a tax of onetwelfth of one per cent monthly upon *circulation* issued by such parties, also levies "a tax of one twenty-fourth of one per cent each month, as aforesaid, upon the *capital* of any bank, association, company, or corporation, and on the *capital* employed by any person in the business of banking, beyond the average amount invested in United States bonds." What then is the scope of the term capital as here used? The appellants, as we think very correctly, claim that it means the funds properly their own, used as the basis of their business, as distinguished from any deposited or borrowed moneys which their capital proper may have helped to attract into their hands. These are the Solicitor's reasons for dissenting from this construction:

In the first place, as to the term "capital." Ordinarily this word means the entire stock employed in one's business. This is not denied by counsel for appellants, but they claim that it has a different signification in this statute—that it signifies what a man *owns* and uses in his business, what the individual members of a firm contributed of their *own* money—"a permanent ownership of that which constitutes the financial strength of the organization.

I cannot concur in this construction. It seems to me that the term includes all the money employed and used in the business, no matter from what source it is derived. It is immaterial whether it is borrowed or is the separate or joint property of the members of the partnership. Is it used in the business and does it contribute to the profits or supposed profits of the business? If it does, then it is capital within the meaning of section 110, and is liable to taxation. The manifest spirit of that section is to tax all the sources from which profits can arise. It is the use that is made of the money and the privilege of using it that is taxed, rather than the money itself. Thus private bankers are taxed upon capital and deposits. These are their only sources of profit. Banks are taxed upon capital, deposits and circulation, where they have circulation. These are their only sources of profit.

It will be noticed that the Solicitor here absolutely assumes his construction to be correct, without one citation from analogy or usage to support it. He simply affirms—he does not argue—which is tantamount to an acknowledgment that his case does not admit of proof. He might be very safely challenged to produce a single instance from the phraseology of the fiscal and banking laws of Congress in which the term "capital" is employed in the sense he attaches to it. On the contrary, throughout the national bank acts, the word is used to represent the funds contributed as the permanent basis of the business of the banks. And in section 110 of the act of June 30, 1864, above cited, where the items of banking resources are separately classified and taxed as capital, deposits and circulation, this meaning is manifestly intended; for if the term capital covered all the means employed in the business, there could be no motive for this separation of items. The Solicitor says the term "includes *all* the money

used and employed in the business, no matter from what source it is derived." If it is used in the business and contributes to its profits, then in his view, it is capital within the meaning of the law. This construction, however, goes too far even for the Solicitor's purposes. For, according to this definition, deposits and the money derived from circulation are both capital; and as such should be subject to taxation under the impost specifically upon capital. Both deposits and circulation, however, are distinctively taxed as such, so that Solicitor Smith must either maintain that these items are to be twice taxed, or that the term "capital" has not that comprehensive scope which he attributes to it, but that it has a narrower and more specific meaning determinable by the general usage of the word as applied to banks and bankers. When he so distorts the common usage of the term as to make it represent, not what a banker owns as his personal means and resources used in business, but what he borrows from day to day, what he owes, he certainly is bound to give strong reasons for such a novel interpretation; but, strange to say, his interpretation has no backing but the dictum of authority.

Mr. Delano's decision subjects banking reserves to repeated taxation. The funds borrowed by a banker from a bank or other banker constitute a portion of the lender's capital on deposits or circulation, and as such are taxed in his hands; or passing into the hands of the borrower they are, under this ruling, subjected to a second tax; and if the borrower should see fit to again lend them, can to yet a third tax, and so on; the Commissioner feel justified in assuming, upon a very doubtful point of interpretation, that the law contemplated such an oppressive injustice? It would have shown a much more seemly regard for a great financial interest had he given the tax payers the benefit of such a strong balance of probability in their favor, and requested from Congress, hereafter, a clearer definition of the purpose of the law.

It is unnecessary, however, to discuss the questions arising under this decision, for they will soon be brought before the courts; we only desire briefly to call attention to the bad policy the Government is pursuing in making illiberal decisions under the tax laws, with the hope that wiser councils may hereafter prevail.

RAILWAY CONSOLIDATION.

A bill is now pending in the State Legislature which we think calculated to have a very important influence upon our transportation interests. The introduction of this measure has been apparently conducted with secrecy, for little has been publicly known of its details beyond that it provides for the consolidation of connecting roads, but excepts from that

privilege competing or parallel lines. The bill is generally understood to have been introduced in the interest of the parties controlling, at the same time, the New York Central, Hudson River, and Harlem Companies.

It is well understood, among capitalists interested in our large State roads, that a great scheme of consolidation has been definitely determined upon by the parties controlling the Central, Hudson River, and Harlem properties, the details of which have been settled and consent to which has been given by the principal parties interested in the several companies concerned. The amalgamation is to comprise the Harlem, or the Hudson River, the New York Central, the Buffalo and Erie and the Lake Shore Roads, the latter now embracing the Michigan Southern. The proposed combination includes about 1,500 miles of road, with a total capital of about \$150,000,000. This then is the scheme for which authorization is now being bargained at Albany, and which we expect each morning to learn has been passed with a few hours consideration, the press having had no opportunity to discuss it, and the people no chance to confer with their representatives upon a matter of such vital consequence.

Indeed, it would appear, from the manner in which this and other important projects are handled at Albany, that the business of our legislators is not to discuss the merits of measures or their bearing upon the public good, but rather to determine the consideration for which their acceptance of the scheme shall be accorded. To this project we think there is a very decided objection in that its adoption will establish an overpowering transportation monopoly. It is true, the bill forbids the consolidation of competing lines, and so far has the appearance of a purpose to avoid the odium of abolishing healthy competition. But of what avail will this exclusion be, provided the parallel or competing lines should be virtually under the control of the parties who run the combination? If Harlem, for instance, should be left out of the consolidation will any one suppose that, owned as it is, it will be in any sense in competition with the amalgamated companies? Or is it to be deemed an impossible thing, or even an improbable one, that Erie may be covertly controlled in the interest of the same wealthy combination? Or, were neither of these cases supposable, is it probable that the Legislature would be able to resist the inducements which so powerful a corporation could hold out? Would it not rather so shape its legislation as to suit its interests as against competing roads? The time is coming when New York must have other and enlarged lines of transportation provided. Not very many years hence we may see the trade of this port doubled; and, in that event, we should need double our present carrying facilities. Is there no danger of the growth of such facilities being checked

and stunted by the corrupt power of an overshadowing monopoly? New roads to be sure might be constructed under the general railroad law, but the consent of this monster corporation would have to be obtained; or the roads would be projected upon such conditions as to make their success very doubtful and difficult. Really, therefore, while the bill has the appearance of aiming to admit competition, is there no fear of its establishing a power which will control and defy competition? And if such is its tendency, can the vast mercantile interest of this city and of the West look upon such a scheme with complacency?

The cost of transporting Western products to New York has become a serious element in the question of our ability to compete in the food markets of Europe, and to feed our own seaboard population cheaply enough to place our manufactures upon a favorable basis for competing with those of other countries. Upon our whole line of railroad, from the Hudson to the far West, we need the stimulus to invention, expedition and economy which a close competition alone can supply. Without this, the trade of the East and the agriculture of the West must suffer a constant repression, and the progress of our national wealth must be retarded. Indeed, it is impossible to attach too much importance to this matter of economizing the cost of carrying. Just in proportion as we can reduce the prices of our agricultural products to trans-Atlantic consumers, can we command the markets of the Old World; and in proportion as we can accomplish that, shall we be able to attract foreign capital and foreign labor to our shores, and build up our industry and commerce.

What, then, is to be said of a scheme which aims at controlling the main line of transportation between New York and Chicago, and which, by its great power and corrupting hand, may be able to control all present or future lines upon the same route and to dictate the canal policy of the State?

We cannot but think that it is to the advantage of the mercantile interest of this city, the grain interest of Chicago, and the agricultural interest of the whole West to prevent this project going forward. So far as respects our own State, the bargain is probably so far consummated as to render remonstrance useless. The consolidation of the roads of this State is, however, only a part of the scheme which is to place the main roads between New York and Chicago under one monopoly. It will still remain within the power of the Legislatures of Michigan, Ohio, Indiana and Illinois to determine whether certain roads of their States shall be comprised within this same control.

We might also enlarge upon the corrupting influence of this proposed monopoly upon the politics, the government, the Legislature, the officials and the general public morals of the State; but we refrain from doing so,

as our desire was especially to call the attention of the commercial community to the injurious results to their interests which are likely to follow from the creation of this extensive and wealthy corporation.

LAND AND WATER CARRIAGE.

There are those who believe that railroads will soon put an end to inland transportation by water. The growth of the railroad system in this country has been marvelous, and has had a great influence in the reduction of charges for the movement of products. But so far, in the neighborhood of all long water routes, railroads have acted as feeders to them, and have concentrated the traffic of large regions at those central points where the iron road has touched the lake or the river. It has been impossible for the railway to do its business as cheaply as it can be done by water. In the very nature of things the balance is largely in favor of the water route. The difference in the rates charged by either route has, however, been lessening, and it is but a few days since we read in a Chicago paper, that the demand for cars on that particular day for the carriage of grain was in excess of the supply, although the Lake charges to Buffalo were but five cents a bushel. It is claimed by the advocates of cheap railway transportation, that this state of things will be the rule before many years, and that the railroad will soon monopolize the business. At this time wheat is brought by rail from Chicago to New York for 30 cents a bushel, which is actually less than the cost by canal, 32½ cents; but of this last sum 20 cents only are freight and canal tolls. The rest goes for storage, insurance, commissions, elevators, &c. The railroads have carried wheat in the winter at even a less charge than 30 cents, but then and now the charge is no evidence of the cost, and no proof that profit is made. In fact, the charge is part of the "cut-throat" competition of four or five through lines, and while profitable to the grain producer, is ruinous to the companies; which, in the task of distributing breadstuffs to points on the long routes, put their charges at amply remunerative figures.

It may be interesting to compare the charges made by these two methods of transportation, in the view of showing their approach or divergence. The cost of transferring a bushel of grain from the Mississippi river by rail to Chicago, a distance of two hundred miles, is precisely the cost of transportation from Chicago to New York by water, the distance being some fifteen hundred miles. This is a very wide difference, but the disproportion is reduced when the cargo is carried a greater distance by rail, for the cost of handling is the same by the land route whether the car moves one hundred or five hundred miles. And one of

the heaviest burdens to which grain is subjected is the charge for handling it at the several places of shipment. A bushel of corn is carried from Chicago via Oswego for 17½ cents, or say 18 cents including the local charge at Oswego. The railway freight for a barrel of flour, which weighs nearly as much as four bushels of corn, is 58 cents from Oswego to New York, or 50 cents to Albany. The cost of transporting the same weight of corn from Oswego to New York is 82 cents by water. From St. Louis to New Orleans the freight in flour is 40 cents, for a distance of twelve hundred miles, a charge that must be reduced if the Mississippi is to be a rival of the Great Northern Water Route from Chicago.

When we consider the enormous extent of the transportation business that reaches New York from the interior, it is difficult to realize how and where the same business could be done if it was transacted on land. Every barge and every canal boat are floating storehouses. They can move at will about the harbor and transfer their cargo to a ship in the East or North river, or at a Jersey dock, or lying moored in the stream. They are limited to no yard or to no particular pier. The freight train is, however, tied down to an iron track. It moves from one place to another only with difficulty and at great expenditure of labor and time. The full train has but little greater capacity than that of a single canal boat. Twenty cars that carry 10,000 bushels are almost matched by the single boat which conveys 8,000. Trains must be limited in frequency and cannot be allowed to run too closely to each other. Delays, minor accidents the heating of a journal, track repairing, would interfere with that frequent succession of trains which would be necessary to transport the enormous tonnage offering, and they would be very sure to bring on inextricable confusion.

But commerce will seek the cheapest route, and whatever tends to remove burthens and lessen charges offers the strongest inducement to which commerce will respond. Slow freight trains can carry grain and flour cheaper than fast trains. Charges for handling must be reduced. Expenses on the water routes must be cut down, and the products of the Great West must be distributed through the East at a cheaper rate than now. The competition of rival routes does this effectually, as the present charges from Chicago to New York, above quoted, show. Competition is more effective than any labored argument that can be made based upon any array of statistics, however imposing.

One error committed by the advocates of new routes from the West to the seaboard is in supposing that the bulk of the breadstuffs from the West go to European and other foreign ports. Hence the great desire to reach the sea, whether by the St. Lawrence or the Mississippi. The trade

with Europe really absorbs but a small fraction of the immense product of the Western grain fields. The West Indies and South America require large quantities. But the greater part is consumed at home, and is distributed all over the seaboard States, in the large cities, in the manufacturing towns, and indeed in the smallest villages. For this distribution there is need of the railroad, and very quietly but regularly it does this work, conveying to all the multitudinous stations and depots the products which have found their way to the seaboard and to the centres from which distribution is made. In this distribution, as we remarked above, the railroad which has transported breadstuffs over long distances at losing rates now compensates itself by the amplest tariff that its managers have the face to impose, and they give abundant proof that carriage by water is cheaper than by land.

THE FINANCIAL SITUATION.

The suspense and uncertainty as to the Treasury policy produced a short time ago a good deal of uneasiness in financial circles, the depressing effects of which were diffused throughout the mercantile and industrial movements of the country. Now that Mr. Boutwell has told us what he means to do, it is only fair to look for a general responsive reaction in business. And this is especially to be anticipated, inasmuch as the policy which he has marked out for himself is generally approved as sound, conservative and safe.

The chief point to which apprehension was directed, was the money market. The frequent spasms and severe pressure which have distinguished the experience of the past six months, and have marked it out as the most troubled semi-annual period known in the New York money market for very many years, has so disturbed the financial machinery and demoralized financial confidence, that the reaction may be slow. Still as there is now good reason for anticipating monetary ease for some months to come, the usual results of business activity and speculative excitement are pretty sure to develop themselves before long.

In contemplating the late perturbations in monetary affairs, it is impossible to resist the conviction that we are in a state of transition to some new financial conditions which may greatly modify the future movements of commerce and trade. In all our large cities, and in this more than any where else, men of experience tell us that business is changing. Capital moves in larger masses than formerly, and for the time being the concentration of the moneyed power seems to be working to the impoverishment of the many and the gain of the few. A year or two ago the banks of this city would have considered it a violation of good faith towards their dealers to attempt to charge more than 7 per cent,—the legal rate of

interest—for any accommodation which it was possible for the bank to render. Now there are but very few banks in New York whose books do not show transactions during March and April at usurious rates. Such is the change in public opinion, that there is no attempt at concealment. The charging high rates of interest began with the private bankers; then one or two national banks adopted it, and now all have, more or less, fallen into the practice. This, however, is but one of the numerous symptoms of the concentration of capital in a few hands.

The transition state through which our finances are passing may be further illustrated by the absorption of our floating capital into fixed forms. How far this process has gone, what prodigious amounts of money have been invested in the South, in the West, and indeed in every section of the country, we may form some idea by noting the vast numbers of new buildings which are rising up in every town, city, and village where there is any industrial enterprise, commercial activity or agricultural progress. Our railroads are being extended and are doing for the most part a profitable business. The great trunk lines of the South are all resuscitating and several new pathways of commerce are being projected to connect the Atlantic with the Pacific.

Now all these improvements cost money. They absorb large amounts from the reservoir of floating capital and fix it in permanent forms, so that to render it inaccessible as loanable funds for borrowers. We thus have a severe depletion of the streams of loanable money, and at the same time there is an impulse given to the demand for loans. Such a state of things can scarcely fail to produce monetary spasms and except the bank machinery is extremely elastic, commercial convulsions are not unlikely to occur. It is one of the greatest triumphs of our national banking system that it has sustained during the past four or five years, such severe strain and pressure as have been imposed upon it by the negotiation of the stupendous aggregates of government loans. But that system will win a still more signal triumph if it carries us through the present financial troubles and through those of the near future, without any more severe spasms than those which we have already experienced. During the next five or six months there will be little danger, as the accumulation of capital and currency in this metropolis and in the other great financial centers will be such as to render the maintaining of monetary equilibrium an easy task. With the opening of the Fall trade, however, in October and November, renewed pressure is likely to be developed, the preparation for which may well engage the anxious solicitude of our financial men. So long as the national banks do not redeem their notes in New York, the only elasticity which our currency possesses to enable it to meet these recurring strains and spasms is imparted by the movements of the Treasury. By what device Mr. Boutwell will meet the emergency remains to be seen.

WATERING RAILROAD STOCKS.

The diluting process which commenced with the currency appears to be destined to find its way into everything financial. For the last two years it has had unrestricted sweep in the management of railroad corporations. Most of the leading roads have been subjected to a material increase of their capital, and, on some the "watering" process has been repeated. We have just witnessed a virtual increase of 80 per cent on New York Central; it is proposed to make a fresh addition of 60 per cent on Hudson River, and a similar increase is talked of on Harlem; Fort Wayne is promised a stock dividend of 60 or 65 per cent; Rock Island, it is said, is to have its stock well nigh doubled; an increase of 10 per cent on the consolidated Lake Shore Company is talked of as certain; the Pennsylvania, after an increase of \$7,000,000, makes promise of yet another stock bonus; on the East Pennsylvania a stock dividend of 100 per cent is contemplated; the Macon and Western has increased its stock one third; and New York and New Haven, after a late addition of 50 per cent to its share capital, proposes to make a further liberal distribution of stock. For the purpose of illustrating what has been done in the way of "watering" railroad stocks, within the last two years, we select 28 prominent roads, giving, as follows, the capital stock of each, on the 1st July, 1867, and on the 1st May, 1869, respectively:

	July 1, 1867.	May 1, 1869.	Increase.
Baltimore & Ohio.....	\$16,152,000	\$18,152,000	\$2,000,000
Boston & Lowell.	1,820,000	2,169,000	349,000
Boston & Maine.....	4,077,000	4,550,000	473,000
Central of New Jersey....	13,000,000	15,000,000	2,000,000
Chicago & Alton	6,811,000	7,566,000	755,000
Chicago, Burlington & Quincy.....	10,193,000	12,500,000	2,307,000
Chicago & Northwestern.....	23,155,000	30,911,000	7,756,000
Chicago, Rock Island & Pacific.....	9,100,000	14,000,000	4,900,000
Cincinnati, Hamilton & Dayton.....	3,120,000	3,521,000	401,000
Cleveland & Pittsburgh.....	5,391,000	5,938,000	547,000
Connecticut & Passumpsic pref'd.....	1,514,000	1,822,000	308,000
Dubuque & Sioux City.....	3,662,000	4,180,000	518,000
Erie.....	25,111,000	37,807,000	12,696,000
Hudson River.....	9,981,000	13,932,000	3,951,000
Hartford & New Haven.	3,000,000	3,800,000	800,000
Illinois Central	23,386,000	25,277,000	1,891,000
Marietta & Cincinnati.....	12,666,000	14,650,000	1,984,000
Michigan Central...	7,542,000	9,325,000	1,783,000
Michigan Southern.....	10,600,000	12,125,000	1,525,000
Milwaukee & St. Paul.....	10,998,000	15,181,000	4,183,000
Morris & Essex	3,500,000	4,823,000	1,323,000
Nashua & Lowell.....	600,000	720,000	120,000
New York Central	26,530,000	51,624,000	25,094,000
New York & New Haven	6,000,000	9,000,000	3,000,000
New Providence & Boston	1,755,000	2,000,000	245,000
Pennsylvania.....	20,000,000	27,040,000	7,040,000
Philadelphia & Reading.....	22,742,000	26,280,000	3,538,000
Providence & Worcester.....	1,750,000	1,900,000	150,000
Total on 28 roads.....	\$287,036,000	\$400,694,000	\$113,658,000

We have here the startling fact that 28 roads whose combined capital in 1867 amounted to \$287,000,000 have since then increased their stock to \$400,000,000; showing an average inflation of 40 per cent; and

yet from the proposed stock dividends above alluded to it would seem that the "watering" mania is far from having exhausted itself. A movement so sudden and so sweeping deserves earnest consideration.

What then is the meaning of this railroad inflation? what its basis? what its motive? and what may be expected as its result? It is somewhat curious to trace the reasons successively assigned by railroad directors for this policy. First of all, it was said that the stock dividends represented earnings invested in construction, although it has in few cases been found easy to trace any correspondence between the increase of stock and the employment of earnings for such purposes; next, it was discovered that the land grants of the roads had become more valuable, and it was urged that this improved value should be represented in the nominal capital; still later, it has been found that it now costs much more to build roads than formerly, and that the capital stock ought to be raised proportionately; and finally, it is urged that the amount of stock should be regulated by the earnings, upon a basis allowing 7 per cent interest for each \$100 of stock. Stockholders and speculators have not been particularly careful about scrutinizing the reasons and motives of this policy; for its result has, in all cases, been to enhance the market value of the stocks and afford splendid opportunities for profit. There are, however, not a few thoughtful capitalists who look upon the "watering" mania with grave apprehension, as one of the worst forms of the prevailing financial derangement.

It is not to be denied that there may be good reasons for increasing the share capital of a railroad company. In case of the building of additional road, laying additional rails not originally contemplated, or making other permanent construction improvements—it may be deemed more prudent to issue stock for these purposes, than to take the requisite means out of the current earnings; or if, for a succession of years, a moderate portion of the earnings has been devoted to these objects, there can be no objection, upon principle, to distributing among the stockholders an amount of stock corresponding to such investments. The late enormous stock dividends, however, have been carried far beyond the limit allowed by this principle. In fact, the object of the new issues would appear to be mainly a speculative one, and no justification has been sought or cared for beyond the success of the speculation. It is, of course, within the province of the shareholders to determine how they shall have their interest in the road valued or represented. It is, however, a great mistake to suppose that by increasing the nominal capital they in the slightest measure improve the real value of the property, or augment the revenue they may derive from it. It may be that upon the basis of the present cost of con.

struction, the roads are worth much more than their original cost; an argument which, just now, is especially urged by the advocates of dilution. But is it to be held as a sound principle, that the nominal amount of corporate capital is to be increased with the progress of the general inflation of prices and of the currency? It is generally supposed that we have already passed the climax of high prices of products and labor, and that the cost of constructing roads may hereafter show a steady decline toward the old level. Are the dilutionists prepared to follow the logic of their policy, and reduce the capital stock of the roads when the costs of construction and the value of real estate have declined? If not, they must be prepared hereafter to witness a heavy decline in the market value of their shares, unless there is a corresponding increase of business, arising from the fact that the nominal capital exceeds the real value of the roads.

It is again true that the late and present earnings of many roads are such as would enable them to pay a good dividend upon a much larger amount of capital: which fact also is presented as an excuse for "watering." But before concluding that this is a sound reason for inflating the stock capital, it may be well to ascertain the cause and the probable permanence of the improved earnings. In the first place, the increased cost of construction, within the last six years, have deterred prudent capitalists from investing in new railroad enterprises; and carrying facilities having thus been restricted, the roads have had perhaps an undue control over freights. Within the last twelve months, however, new roads have been projected in every part of the country; and, as the costs of building decline, the late prosperity of the roads will naturally induce a very active competition from new lines, materially lowering the present high scale of profits. The late high prices of grain and cotton have facilitated the exaction of high rates of freight upon produce generally; but just as certainly must the now reduced values of breadstuffs compel a reduction in the charges for carrying Western produce. The earnings basis for "watering" is thus seen to be a fluctuating one, and may hereafter just as reasonably call for a reduction of capital stock as it now warrants an increase.

It is impossible to adduce any really sound justification of the "watering" policy. It is, in most cases, simply a deceptive game played by speculative directors, who, after the inflation has been consummated, will be the first to forsake the bubble, and quietly wait to profit from the ultimate violent revulsion in values; while the attempt to draw out of the consumers of the country high charges for freight, so as to pay dividends on the increased stock, is a direct check to our material progress.

CLEVELAND, COLUMBUS, CINCINNATI AND INDIANAPOLIS RAILWAY.

This property is a consolidation of the Cleveland, Columbus and Cincinnati, with the Bellefontaine Railway Company. The consolidation was consummated and took effect May 14, 1868, but considering that the official year is to close December 31, the first annual report is made to cover the joint transactions of the two constituent companies for the full year.

To this consolidation the Bellefontaine Company contributed (from Indianapolis to Galion) 202.60 miles, and the Cleveland, Columbus and Cincinnati Company (Cleveland to Columbus 137.98 and Springfield to Delaware 49.89) 187.87 miles. Thus the total length of direct track is 390.37 miles, which there are 29.59 miles of second track and 41.25 of miles of sidings. Equivalent single 4 feet 10 inches gauge track 461.21 miles, averaging 56 lbs. per yard of rail.

The number of locomotive engines in the consolidation was 83, from the C. C. C. Company 47, and from the B. Company 36, two of which were replaced by new engines during the year, and eight others were thoroughly rebuilt. Steel tyres are being substituted for iron tyres, and so far as brought into use, have proved to be both economical in general wear and their entire freedom from breakage.

The number of passenger train cars was, at the close of the fiscal year, as follows: 43 first class and 4 second class passenger cars, 10 baggage, 5 baggage and express, and 7 mail cars. Two baggage and express cars were built during the year. The number of merchandise cars was at date as follows: 736 house, 239 live stock, 319 platform, and 21 caboose cars. Of these there were built during the year 18 house and 23 live stock, and during the same time 18 house, 14 live stock and 18 flats were condemned and broken up. The increased and growing traffic of the road, however, demands large additions to this apparently extravagant amount of equipments. The mileage service in all branches for the year is thus summed up: Passenger trains run, 768,374; freight (including switching), 1,261,755; repairs and graving, 80,509; and fuel, 66,767—total, 2,177,407 miles. The cost per train mile for repairs was 9.21 cents. Of the total number of passengers carried over the road, viz., 546,377, the through travel numbered 76,036, and the travel from station to station 470,341. The result was a mileage of 29,770,918 miles, earning \$849,283 58, or 2.85 cents per mile. The amount of freight or merchandise (net load) was 628,356½ tons, and the transportation mileage 95,130,679½ miles resulting in earnings, \$1,843,129 82, or 1.94 cents per mile.

The earnings and expenses accounts are given very full. From these we make up the following:

EARNINGS.		EXPENDITURES.	
Passengers.....	\$849,288 78	Operating.....	\$1,976,002 65
Freight.....	1,841,129 82	National and local taxes.....	159,161 94
Express ..	115,114 88		
Mail ..	6,918 00	Net revenue..28,171 p. c.....	\$384,449 03
Rents ..	48,901 57	Bond interest..\$94,935 13	
Branch ..	8,886 79	Dividends,7 p.c. 731,244 50	525,179 63
Interest and dividends.....	11,941 69		
Miscellaneous ..	15,065 83	Surplus.....	8,269 40
Earnings L. M. & Col. & X R R.		Surplus on consolidation:	
to Nov. 31, 1868....	8,369 98	C, C & C. RR.....	156,048 83
		Bellefontaine Railway	78,283 97
Total... ..	\$2,962,613 63		
		Surplus Dec. 31, 1868.....	\$242,602 20

The following is a statement of the earnings and expenses of the consolidation for the last five years. They are simply abstract accounts, and lose much of their value from our inability to compare them with mileage of passengers and freight through the series of years. The loss in earnings may be attributed to a general lowering of rates.

Fiscal year.	C. C. & C. R. R.		Bellefontaine R.R.		Conjoint	
	Earnings.	Expenses.	Earnings.	Expenses	Earnings.	Expenses.
1864....	\$2,499,848	\$1,264,185	\$1,741,644	\$1,161,744	\$4,247,992	\$2,425,929
1865.....	2,386,182	1,550,623	1,675,164	1,152, 57	4,061,296	2,732,879
1866.....	1,932,700	1,254,017	1,325,280	973,083	3,258,980	2,227,050
1867.....	1,894,837	1,228,484	1,487,587	954,920	3,382,474	2,183,354
1868.....					2,962,614	2,128,165

The dividends paid in August and February were at the rate of 7 per cent annually. The two previous years gave to the C. C. and C. R.R. 8 per cent; and to the Bellefontaine 6 per cent. The total cost of the railroad and its equipments is \$11,936,146 30, or \$30,605 per mile. The following is the general balance sheet of the company, as of January 1, 1869:

Capital stock.....	\$11,620,000	
Less held by company.....	1,159,100	\$10,460,900 00
C. C. & C. R. R. bonds (\$25,000 falling due yearly)		400,000 00
B. & Indiana R. R. 1st mortgage bonds.....	\$791,000	
Less held by company.....	51,000	740,000 00
B. & Indiana R. R. 2d mortgage bonds.. ..		16,000 00
B. & Indiana R. R. income bonds.....		87,000 00
B. & Indiana R. R. bonds past due.....		2,000 01
Indianapolis, Pittsburg & Cleveland R. R. 1st mort. bonds.....		379,000 00
Indianapolis, Pitts. & Clevel'd R. R. 2d mort. bonds.....	\$347,000 00	
Less held by company.....	6,000 00	341,000 00
Dividend No. 2, payable Feb. 1, 1869.....		365,844 50
Surplus fund.....		242,602 20

Per contra : the charges as stated :

Cost of road and equipments.....	\$11,936,146 03
Materials on hand.....	455,814 19
Cash	402,040 47
Cash assets.....	187,416 03
Other assets—S. & H. Valley R. R. bonds.....	\$2,000 00
“ “ Real estate.....	30,691 61
“ “ Wood lands	46,701 04
“ “ Stone quarry	4,915 46
“ “ Bills receivable.....	18,646 81
“ “ Insurance scrip.....	475 00
	102,429 43
Total.....	\$13,034,346 70

The report of the Board says : The results of the consolidation have been satisfactory, each part of the railway showing its fair per centage of earnings in proportion to the capital represented. It is the opinion of the Board that the mutual benefits to be derived from one organization between Lake Erie and the Eastern railroad connections at Cleveland,

and the rich agricultural country traversed by the western connections in Indiana, Illinois and west of the Mississippi, will increase yearly. The Company have also aided in the construction of the Indianapolis and St. Louis R.R., and on its completion it is expected that that road will be of essential advantage to the C. C. C. & Ind. R. R.

RAILROAD EARNINGS FOR APRIL AND FOR THE FOUR MONTHS ENDING APRIL 30.

By special information obtained from several of the Companies we are enabled to compile our monthly statement of railroad earnings at an earlier period than usual.

There is not so uniform an increase in the earnings for April as was shown in the previous month, but they are still very satisfactory, and compare favorably with those for the same month of 1868. The largest increase is shown in the earnings of the Illinois Central, the Chicago, Rock Island and Pacific, and the Chicago and Alton Roads, while the Pittsburg, Fort Wayne and Chicago, and the Ohio and Mississippi Roads show a considerable decrease. In the case of the latter the falling off is accounted for by the trouble between the Erie Company and the Cincinnati, Hamilton and Dayton, which stopped the passage of through freight for a portion of the month ; that difficulty having been favorably adjusted, a resumption of the full earnings may be expected.

The receipts of grain at Western ports, which affect so greatly the earnings of the principal Western roads, fell off largely with the beginning of April, and for the whole month were below those of 1868 ; as to the future, the accounts differ widely, some parties declaring that there is still a much larger quantity of grain to be sent forward than usual at this season, others being equally positive that very little more grain will be forwarded. The earnings which have been published for the first week in May, show a considerable increase.

The earnings for April are as follows :

RAILROAD EARNINGS FOR APRIL.				
	1869.	1868.	Inc.	Dec.
*Chicago & Alton.....	\$331,148	\$279,121	\$52,027	....
Chicago & Northwestern.....	1,922,373	1,094,597	....	\$2,219
†Chicago, Rock Island & Pacific.....	362,907	269,700	74,200	....
‡Illinois Central	595,855	518,800	76,555	....
Marietta & Cincinnati.....	102,526	108,461	1,065	....
Michigan Central.....	411,814	415,768	....	2,944
Michigan Southern.....	478,544	452,429	21,124	....
Milwaukee & St. Paul.....	460,287	425,639	24,653	....
Ohio & Mississippi.....	214,409	252,149	....	37,740
Pittsburg, Ft. Wayne & Chicago.....	729,777	770,798	....	40,421
St. Louis, Alton & Terre Haute.....	171,868	155,268	16,600	..
Toledo, Wabash & Western.....	311,833	292,285	19,447	....
Western Union.....	41,692	49,233	....	7,641
Total.....	\$5,266,480	5,112,848	206,556	91,944

* 431 miles in 1869, against 280 in 1868.

† Number of miles open continually increasing. Over 100 miles more were worked in April, 1869, than in the same month of 1868.

‡ Including leased lines.

For the four months from January 1 to May 1, all the roads show an increase, with the single exception of the Ohio and Mississippi. In the following table we compare the earnings of the several roads for the first four months of 1869 with the same period in 1868:

EARNINGS FROM JANUARY 1 TO MAY 1.

	1869.	1868.	Inc.	Dec.
Chicago & Alton.....	\$1,969,885	\$1,097,470	\$271,915	.....
Chicago & Northwestern.....	8,940,108	8,477,157	462,951	.....
Chicago, Rock Island & Pacific.....	1,428,109	1,171,182	256,927	.....
Illinois Central.....	2,444,623	2,066,850	367,673	.....
Marquette & Cincinnati.....	403,267	350,975	52,292	.....
Michigan Central.....	1,503,096	1,390,649	112,447	.....
Michigan Southern.....	1,070,85	1,531,520	138,815	.....
Milwaukee & St. Paul.....	1,665,424	1,488,281	177,143	.....
Ohio & Mississippi.....	882,814	951,878	.....	\$129,064
Pitts. Fort Wayne & Chicago.....	2,687,000	2,569,386	117,664	.....
St. Louis, Alton & Terre Haute.....	565,539	508,267	57,282	.....
Toledo, Wabash & Western.....	1,212,835	1,100,149	112,686	.....
Western Union.....	180,880	175,547	4,792	.....
Total.....	\$19,878,274	17,988,751	2,066,567	129,064

RAILROAD ITEMS.

PACIFIC RAILROAD OPEN.—The following statement of time and distances is given by the *Western Railroad Gazette*:

	Miles.	Hours.
New York to Chicago, Ill.....	911	26½
Chicago to Omaha, Nebraska.....	491	24½
Omaha to Bryan.....	853	48
Bryan to Ogden, Utah.....	223	10½
Ogden to Elko, Nevada, via Central Pacific Railroad.....	276	12½
Elko to Sacramento, California, via Central Pacific Railroad.....	465	31
Sacramento to San Francisco, via Western Pacific Railroad.....	117	8½
Total.....	2,358	161½

Thus a total distance of 2,358 miles is made, according to the present schedule time, in 6 days and 17½ hours, actual time, by a traveler's watch, from which we deduct 8½ hours, difference of time, when going West, leaving the apparent time consumed in making the trip 6 days and 14 hours.

At San Francisco the mails will connect with the various steamship lines running on the Pacific, and may be landed at Honolulu in nine days from that city, or 15½ days from New York. They can reach Japan in 19 days from San Francisco, or 25½ days from New York, or 83 to 84 days from Great Britain—thus beating the British mails sent *via* Suez, three to four weeks. The trip between Yokohama, Japan, and either Hong Kong or Shanghai, is readily accomplished by the Pacific Mail steamships in from five to six days, which, added to the time in reaching Japan, will give the through time necessary to reach either of the above named ports of China. The mails for Australia, it is thought, will hereafter go *via* San Francisco, as the Australian and New Zealand Steamship Company intend transferring the terminus of their line, which has been running from Sydney to Panama, so as hereafter to run from Australia to Talati, thence to Honolulu, and thence to San Francisco, making 28 days schedule time, which will give us monthly mail to Australia in 34 or 35 days through time.

THE CINCINNATI, HAMILTON AND DAYTON AND THE ERIE RAILWAY DIFFICULTY SETTLED.—The *Cincinnati Commercial* of April 29th has the following:

"We learn, by a private telegram from New York, that the recent difficulty between the Cincinnati, Hamilton and Dayton and the Erie Railway Companies has been amicably settled. The details of the arrangement have not been made public, but the main features, we understand, are about as follows: The contract is for ten years, and goes into effect immediately. The Erie is to have the exclusive use of the broad gauge track for a through business only; the local traffic, both passenger and freight, is expressly reserved to the Cincinnati, Hamilton and Dayton; the Erie runs its own trains, and receives and delivers its own freight, at its own expense. For the use of the track merely, including necessary depot facilities, the Cincinnati, Hamilton and Dayton is to receive one hundred and eighty thousand dollars per

annum, in monthly installments of fifteen thousand dollars each, payable in advance. All damages and losses to be paid by the party causing the same.

"This arrangement would seem to be advantageous to both roads. While the Erie gets all that she needs, the Cincinnati, Hamilton and Dayton at the same time receives a handsome return on a hitherto profitless investment.

"Besides the one hundred and eighty thousand dollars from the Erie, the Cincinnati Hamilton and Dayton now receives from another company twenty-five thousand dollars per annum for track privileges on six miles of road; thus making its income from rents alone, two hundred and five thousand dollars, or very nearly 6 per cent on its entire capital stock of \$3,500,000. With such a showing, and such prospects, the stock of the Cincinnati, Hamilton and Dayton should take rank among the safest and most profitable railway investments in the United States."

In this connection it is worthy of remark that the Ohio and Mississippi Railroad lost a great portion of its through freight while the difficulty lasted, and this fact accounts for a decrease in the April earnings.

—A proposition has been submitted to the Massachusetts Legislature to consolidate into one road the Boston and Lowell, Nashua and Lowell, Nashua and Concord, Northern Vermont Central and Ogdensburg Railroads, covering the entire line between Boston and Ogdensburg, N. Y. It is proposed to call it the Great Northern Railroad. The bill authorizes the purchase of all the above named roads, and limits the capital stock of the new corporation to the capital stock and amount of indebtedness of the several roads, with the railroad and steamboat lines now leased by them, which the corporation is also empowered to buy, the whole to be upon terms to be mutually agreed upon, and to be ratified by a majority of the stockholders of each road at a meeting to be called for the purpose. It is understood that all the roads above mentioned are in favor of the consolidation. A hearing upon the matter will be given at a future day.

—The Indianapolis and Chicago Air Line Railroad, by which the present distance by rail between Chicago and the capital and principal city of Indiana will be shortened twenty miles, is contemplated. The route was partially surveyed two years ago, and it is proposed to have it extend through five different county seats in Indiana—Frankfort, Clinton County; Delhi, Carroll County; Monticello, Pike County; Rensselaer, Jasper County, and Crown Point, Lake County. The Counties of Jasper and Clinton are now wholly without railway facilities, and the construction of the proposed line will bring these important localities in direct connection with Chicago. The right of way, from Indianapolis to the city limits of Chicago, has already been procured.

—Steel rails, it is reported, are to be laid on the entire length of the railroad from Paris to Marseilles. The change from iron to steel will require 137,000 tons of steel. From experiments made by the company, it has been calculated that in the vicinity of the stations iron rails will not last over four years, and on the whole line not over eight or ten years.

—The *Lafayette Gazette* says; "Indiana will not long be behind her sister States in the amount and extent of her railroad interests. There are now in running order, within the border of this State, 2,566 miles of first-class railroad. The Tracks, engines, shops, and all their property complete was valued, one year ago, at \$164,224,000. The three roads that have the greatest number of miles of track are the Ohio & Mississippi, Louisville, New Albany & Chicago, and the Indianapolis, Cincinnati and Lafayette, according to their old plate; but since the consolidation of the Indiana Central, Union, and Logansport, and Chicago and Air Line into the Columbus and Indiana Railway, the latter takes the lead of all; and, in a few days, the track to Vincennes will be added also. The construction of the new line to connect with the Alton and St. Louis Road, is a fixed fact. The Pittsburg and Fort Wayne, and the Cleveland, Columbus, Cincinnati and Indianapolis Railway, guarantee the means for building it. The route has been surveyed and plotted, portions of it have been put under contract, and all will be in running order by next Fall. The building of this road will give two competing parallel railroad lines from St. Louis to New York, via Pittsburg, and both running through fine coal and iron beds between Indianapolis and Terre Haute. The work upon the Crawfordville and Danville Road is progressing finely, and it is expected the iron will be laid from Crawfordville to Indianapolis by the 26th inst.

CHEAP TRANSPORTATION.

The subject of cheaper transportation from the West to the East has attracted much attention of late. The report of the Hon. Israel T. Hatch, of Buffalo, to the Secretary of the Treasury; the speech of the same gentleman before the New York Produce Exchange; the mission of representatives of New York grain interests to the shippers and dealers of the lake cities; the action of the Board of Trade in these cities; and, finally, the convention of delegates from boards of trade in the lake cities at Chicago during the last week, attest the interest that is felt in this matter by shippers and commercial men. This action and agitation has been stimulated by the conviction that the cost of transportation of grain and breadstuffs is higher than is necessary, that the transfer charges at Chicago, Buffalo, Oswego and New York are too great, and to the further fact that the merchants of St. Louis and New Orleans are energetically moving with reference to making the Mississippi the outlet to the sea for agricultural products of the Northwest. Other disturbing causes are the agitation in reference to a Niagara Ship Canal, the enlargement of the Welland Canal, and the marvellous growth of the railroad interest which menace the ordinarily cheaper lines of water communication.

Grain and flour will, as a matter of course, take that route to market which, all things considered, is the cheapest. Time is not an important element. To the millions of bushels of grain in the Northwest which seek a market various routes are presented, and the solicitations of these are of various degrees of strength. Thus far transportation by the Lakes and the Erie Canal or by the railroads direct to the seaboard have been the favorite routes. Rivals have risen and grown threatening; direct trade with Europe has been talked and dreamed of, but there has been no really formidable competition to the route which has for so many years been the natural outlet. The fact that the Erie Canal earned over and above expenses some \$3,000,000 last year, at once suggested the thought that the canal tolls were excessive, and this stimulated an investigation which has shown that freight and transfer charges could be reduced, and that the whole business of shipping grain could be transacted at less cost, and the saving be transferred to the pockets of the producer and the consumer.

In the discussion of this question of cheaper transportation there are two classes of reasoners: One believes that the cheapening of freight must be in the direction of water transportation; the other looks to the railroads as the certain means for reducing charges and as the commanding power in transportation for the future. Into this question we do not propose to enter at present. Our object is to show that freight and transfer charges are now too high, and that they can be reduced. To

transport a bushel of grain from the Mississippi to the seaboard, it now costs 52½ cents. The details are as follows :

Freight by rail to Chicago.....	20
Inspection (in and out).....	¼
Storage.....	2½
Commissions.....	1½
Freight to Buffalo	6½
Insurance.....	1½
Elevator at Buffalo.....	1
Handling.....	¼
Commissions at Buffalo.....	1½
Freight by canal to New York.....	13½
Expenses in New York.....	3
Total expenses.....	52½

Of this sum, 40 cents are for carriage, and 12½ are for transfer and local charges. The railway West of Chicago receives 20 cents for 200 miles. The canal, 352 miles, and the Hudson River, 150 miles, require 13½ cents, of which 6 cents are for tolls. The lake charges for a distance of more than a 1,000 miles are but 6½ cents. The aggregate is about \$10 a ton from Chicago, or \$17 from the Mississippi. The charges at grain elevators vary from one cent to two cents a bushel. The charge for shovelling is from \$2 to \$5 for 1,000 bushels. At Buffalo, last year, the transfer and shovelling charges on 36,754,948 bushels exceeded the canal tolls by \$216,000; and at Oswego the transfer charges alone on 6,270,466 bushels exceeded the tolls by \$15,000. To this the charge for shovelling is to be added. It is a curious fact that the steam elevators have actually been in the habit of charging more than the same work could be done for by hand power. Two cases are cited at Buffalo. In one instance a cargo of 87,000 bushels of oats was transferred by an elevator in fifteen hours. The elevator fees were \$1,740, the cost of shovelling \$435; total, \$2,175, or 2½ cents a bushel. In another case, two vessels were unloaded by hand, and the cargo transferred to cars, at a cost of 1½ cents a bushel. An inspection and comparison of these figures indicate that in order to cheapen transportation, it is not necessary merely to reduce canal tolls and freight charges. The local charges for transfer, etc., also require reduction. The following statement of present prices, and estimates for the future, are made by a gentleman in Buffalo who is familiar with the whole subject:

	Present rates		Prospective	
	Wheat, per ton.	Corn, per ton.	Wheat, per ton.	Corn, per ton.
Lake freights ..	\$2 33	\$2 33	\$2 33	\$2 33
Canal freights.....	3 15	2 91	1 78	1 65
Transfer charges.....	2 04	2 04	75	75
State tolls.....	2 07	1 73	60	60
Total	\$9 64	\$9 06	\$5 63	\$5 47

As the elevator charges at Chicago, Buffalo, and New York are 5½ cents a bushel, and the shovelling from 1 to 1½ cents more, a movement for a general reduction has been made. The work can be profitably done at half the price, and the leading dealers in the ports named have agreed to make the reduction. It remains then for the Legislature of the State of

New York to reduce the Canal tolls to a proportionate extent, and for the transportation lines West of Chicago to reduce their rates. They now charge from 20 to 30 cents a bushel. The result of this is that grain is carried past Chicago and as the journals of that city complain, it can be carried from Central Illinois half way to New York for the cost of carrying it to Chicago alone.

This subject is of great importance not only to New York City and State, but to the whole seaboard. It has an interest too for every producer in the great Northwest, and it is not strange that such vigorous efforts are put forth to secure so important a trade in the channels now occupied by it, or to divert it into new channels. The business of the Erie Canal comes from the West. Only one-ninth of its traffic is local. The residue is from beyond Buffalo. There are single States in the West which, when the Erie Canal was dug, had not even a name, that furnish it now more traffic than all that the State of New York now supplies. Year by year this business increases, and it is the part of wisdom to see to it that the channel of trade is equal to the demands upon it, and that the Erie Canal remains what it has so long been, the great route of transportation between the seaboard and the West.

THE BANK REPORTS AND THE LATE STRINGENCY.

We publish on another page our tabular summary of the first reports made under the new law by the National Banks of this city. In consequence of the change in the form of the returns, which causes them not to correspond precisely with former statements the aggregates are not quite so convenient for comparative reference, but this difficulty will be obviated in the next, as the present form is to be adhered to in future, and circulars to secure this conformity are now being addressed to the National Banks all over the country. There is one point of view in which the present reports are more valuable than any of those which have heretofore been published. For this report was made under such circumstances as prevented all cookery of the accounts, and all preliminary preparation. These returns therefore will afford a very good starting point for future comparison, and will show with trustworthy accuracy the changes which take place from time to time in the position and strength of the banks.

After the recent stringency, caused as it was by a lack of loanable resources in bank, we might have expected to have found these institutions holding a weaker reserve than they really appear to show. The net amount of their liabilities is reported at \$187,000,484. Now the 25 per cent reserve which the Internal Currency Act requires would call for a legal tender reserve of about \$47,000,000. But the banks really hold \$53,801,622. That is, they are stronger in reserve than the law requires.

They hold an excess of legal tenders amounting to no less a sum than \$7,051,501 which is certainly a very handsome exhibit. The question arises, however, how it has happened that with so much strength the banks were in such distress as to be obliged to charge usurious rates for money throughout the recent period of financial stringency. Perhaps a partial answer to this question may be suggested by an analysis of the elements of which the reserve is made up.

The aggregate amounts, as we have said, to almost \$54,000,000. Of this sum less than one-third is in greenbacks. The rest is more or less unavailable. Five millions in gold and gold notes. Fifteen millions are in Clearing House Certificates payable on demand. Fifteen millions are in temporary Loan Certificates. All this reserve of Certificates bears interest at three per cent. It thus appears that the reserve which the banks are prohibited by law from lending to the public, and are compelled to keep on hand as a basis of credit, pledge of solvency and a guarantee to the people against panic—this reserve, or thirty-one millions of it, the banks have lent to the government at 3 per cent or about half the usual current rate of interest. It is evident that this is an unsafe and undesirable state of things. The greenback reserve is too small for safety, and the interest-bearing reserve is too large. There are indeed serious objections to the allowing of banks to draw interest on their reserve at all. As an exceptional arrangement to bridge over a season of special drain for currency, this accumulation of interest bearing certificates may be tolerated; but the principle should be always held as paramount that the greenback reserve should amount to at least twice as much as that part of the reserve which bears interest. The special drain for currency to which we have referred, has arisen from the peculiar circumstances of the South and Southwest, where over fifty millions of currency have been absorbed during the past few months, and most of this currency will be very slow in returning to the Northern financial centres. The presence of these interest-bearing certificates in the reserve of the banks, unfits that reserve for performing with the requisite pliant elasticity the functions which devolve upon it. This brings on a rigidity and spasmodic obstinacy of the movements of the financial machinery, and a consequent spasm and stringency in the money market. It is even asserted that a few at least of the banks exhibited a disposition to exaggerate rather than to mollify the distress. Certainly some of the private bankers and money lenders were tempted to do so, because of the large profits which the usurious rates of interest brought them.

On the whole, the statement before us is amply sufficient to prove that our banks are in a strong condition, and that although in this delicate and fundamental arrangement touching the reserves, there is room for improvement, still as capital and currency are now pouring rapidly towards New York, and will concentrate here for some months to come, with increasing accumulations, we have one of the most important conditions for ease in the money market, and for such movements in the financial mechanism of the country as are usually productive of active speculation.

NORTHERN CENTRAL RAILROAD.

The annual report for the year ending December 31st, 1868, shows the following earnings :

From Freights	\$2,928,250 77
" Passengers.....	914,761 04
" Express	91,510 85
" United States mails.....	44,167 00
" Sundry sources.....	178,570 25
Total earnings.....	\$4,151,861 91
The operating expenses were.....	2,962,827 62
Net revenue.....	\$1,189,034 29

The report states: The operating expenses of the road were 71.85 per cent of the receipts, being $4\frac{1}{2}$ per cent greater than in the year 1867. The increase of per centage is to be attributed to increased earnings; to the damage done to the lower end of the line by the flood which occurred on the 24th of July last; the repairs of which have been charged to operating expenses, and to the rebuilding bridges on the Shamokin Division.

The large increase of gross receipts for the year does not show an equivalent increase of the net income. But the extraordinary expenses just referred to, together with the reduction of rates received for the tonnage moved, will account for the failure to realize the additional profit.

The average rate received for transportation of freight was 2.22 cents per ton per mile, a reduction of 38-100 of a cent per ton from the rates received the previous year. The same rates of freight upon the tonnage of 1868 as received in 1867 would have given us an additional net profit of five hundred thousand eight hundred and eighty-nine dollars and six cents, (\$500,889 06.) The reduction of rates has inured to the benefit of the consumer, and is the best evidence that can be given to show that the management of the road is not adverse to the interests of the public.

The advantages to the City of Baltimore to be derived from the ability of this company to reach tide-water, we believe, is now thoroughly appreciated by the city authorities, and we have no doubt that means will be taken to have the work on the Union Railroad resumed and pushed forward to completion.

There has been a very large increase in the coal trade over the preceding year. The coal transported South in 1868 amounted to 602,025 tons, against 458,919 tons in 1867, an increase of 143,106 tons. Of this increase, 26,741 tons were carried to Baltimore, and the balance, 121,365 tons to local stations on this and connecting roads. The coal transported North, to Elmira and points beyond, in 1868 was 11,677 tons, against 85,619 tons in 1867, an increase of 96,958 tons. We anticipate a further increase in this business during the present year.

In 1865 it was determined upon to issue a six per cent mortgage of \$2,500,000 for the purpose of purchasing equipment, and making such improvements as might be required. This was done, and about one-half the bonds were sold. But, owing to the fact of its being a third mortgage upon the property, we found it difficult to use the remainder at a price we considered them worth; and finding too that improvements, which, at the time these bonds were issued, we thought could be postponed for some years, had now become imperatively necessary—it was deemed best to create a consolidated mortgage and withdraw the balance of the loan from the market. This has been done. A mortgage of \$4,000,000, bearing six (6) per cent interest, payable in coin, free from taxation, has been created, and is to be issued only as the former bonds of the company are retired, either by purchase for the sinking funds, or by cancellation. A portion of the \$2,500,000 has been retired and a like amount of the new bonds have been sold, and we are now offering a limited number of them at par and accrued interest.

With these bonds we shall be enabled to cancel the floating debt of the company, make the improvements which cannot be delayed—while the funded debt of the company will not be increased beyond its present amount. And, by the time this entire mortgage is issued it will be the first, and only mortgage, except the annuity to the State of Maryland on this property.

The regular payments have been made to the sinking funds during the year. In the sinking fund for the redemption of the bonds due in 1885 there is now four hundred and thirty-one thousand dollars (\$431,000) of these bonds; and in the general sinking fund we have two hundred and fifty-two thousand five hundred dollars (\$252,500), an increase in both of one hundred and one thousand dollars (\$1,000).

RECEIPTS AND EXPENDITURES FOR THE YEAR ENDING DEC. 31, 1868.

RECEIPTS.		Expenses of Canandaigua Div 243,15	
Earnings of Main Line.....	\$2,977,151		
" Wrightsville Br.....	43,788		\$2,962,377
" Shamokin Div.....	177,763	Interest.....	434,872
" Florida ".....	528,636	Dividends on capital stock.....	334,893
" Chemung ".....	160,897	Taxes on capital stock, &c.....	32,631
" Canandaigua ".....	238,624	Rent of Shamokin Valley and	
	\$4,151,851	Pottsville Railroad.....	101,167
Capital stock.....	150,000	Rent of Elmira and Williamsport	
Bonds.....	1,110,508	Railroad.....	165,000
Real estate.....	686	Rent of Elmira, J. & C. n.	
		Railroad.....	25,000
Total.....	\$5,412,457	Discount on bonds.....	95,156
		Sinking funds.....	101,011
		Construction.....	94,497
		Real estate.....	127,647
		Equipment.....	472,741
			\$4,997,926
		Floating debt decreased.....	414,551
		Total.....	\$5,112,437

FINANCIAL STATEMENT, DEC. 31, 1868.

ASSETS.		LIABILITIES.	
Railway and apparatus acc.....	\$8,907,252	Capital stock—25,978 shares.....	\$4,798,909
Carriage ex carlo.....	342,182	Funded debt, less sinking fund.....	1,915,500
Real estate.....	641,459	Bills payable.....	417,655
Equipment.....	2,130,887	Interest, &c., accrued.....	248,601
	\$12,111,761	Interest coupons.....	12,181
Cash.....	279,622	Pay rolls and vouchers.....	490,667
Passenger agents.....	3,825	Foreign roads—passenger account.....	2,997
Freight.....	112,013	Foreign roads—freight account.....	11,416
Post Office Department.....	12,011	Individuals and corporations.....	1,7,135
Stock of Wrightsville, York & Get-			\$12,300,466
tyburg Railroad Co.....	47,595	Profit and loss account acc't.....	73,453
Debt of Wrightsville, York & Get-			\$12,300,466
tyburg Railroad Co.....	76,464		\$12,300,466
Bond of Warren & Franklin Rail-			
way Co.....	10,413		
Individuals and corporations.....	309,755		
Materials and supplies.....	225,340		
Total assets.....	13,088,871		
	\$1,077,10		
Total expenses.....			\$501,754 71
Balance on to income account.....			245,308 62
Total.....			\$747,063 26

Earnings.		Gold	
Product—25,628 flasks of Quicksilver, at \$30.....	\$778,840		
Less ore account reduced.....	90,867		
			\$678,173 00
Profit over \$30, on sales of 5,056 flasks.....			20,62 71
Profit on purchases and sales of 2,764 flasks.....			3,934 22
Rents, privileges, &c.....			24,401 43
Total.....			\$747,061 36

DETROIT AND MILWAUKEE RAILROAD.

The report for the year ending 31st December, 1868, shows that the gross traffic and rents for the year were \$1,718,094 72, being \$13,214 42 less than those of 1867. The working expenses, taxes and insurance were \$1,018,636 06, being \$21,116 96 greater than those of 1867. The net revenue is \$701,457 66, being \$69,895 26 greater than that of 1866, and \$64,831 38 less than that of 1867. This has been applied to the

interest on the bonded debt existing prior to 1866, \$368,485 80; in part towards interest on bonds of June 30, 1864, \$58,550; to sundry discounts and exchanges, \$5,670 27; to new works and rolling stock, \$8,899 8; to rebuilding on account of the fire in April, 1866, \$1,511 52; to new cars on same account, \$98 08; to payment for baggage and merchandise consumed in that fire, \$20,578 15; to old debts of the Detroit and Milwaukee Railway Company, for supplies, \$3,598 71; to redemption of bonds issued to the Commercial Bank of Canada, 30th June, 1866, \$100,000; and on account of dividend to Great Western Railway Company of Canada, on preference shares, \$78,825; the whole exclusive of interest and dividend, amounting to \$211, 25 78; and after deducting the amount received for insurance on the steamer "Milwaukee" less paid for losses of through freight and baggage, being net \$36,717 96, to \$175,007 82. The balance to credit of Net revenue, 31st December, 1867, was \$75,210 84, and the balance to credit of that account 31st December, 1868, is \$103,429 61.

The total amount paid on account of the fire of April, 1866, is \$368129 74 (less received for insurance, \$19,766 66). All of the second mortgage bonds due 15th May, 1866, have been extended to 15th May, 1875, except \$3,500, which have not been presented; and all the funded coupon bonds due 1st January, 1866, have been extended to the same date, except \$3,217 50, not yet presented. Of the coupon bonds due 15th November, 1868, \$168,925 have been extended to the same date, and the remainder will be extended from time to time, as presented.

The bonded debt and stock of the company may be seen on reference to our tables of Railroad Bonds and Stocks on a subsequent page.

The following is a comparative statement of the receipts and expenses for the last five years:

Years.....	Receipts.	Work'g Ex.	Per Cent. Total Rev. Ex. Per Cent.		Net Rev. Balance.
			on Gross Re's.	including Taxes & Ins.	
1864.....	\$1,388,402	\$884,224	63.03	\$554,758	66.84
1865.....	1,691,735	1,039,570	55.54	1,010,751	59.15
1866.....	1,659,217	959,228	57.79	1,024,155	61.72
1867.....	1,761,909	941,711	53.23	992,519	56.85
1868.....	1,715,093	956,298	55.69	1,018,636	58.99

And the number of passengers and tons of freight carried during each of these years, together with the gross earnings therefrom, are as follows:

Years.....	PASSENGERS.		FREIGHT AND LIVE STOCKS.		TOTAL. Passenger and Freight Rec's.
	Number.	Receipts.	No. tons, including weight of Live stock.	Receipts excluding Storage &c.	
1864.....	403,901	\$561,827	161,311	\$518,919	\$1,280,746
1865.....	499,004	742,872	181,427	806,196	1,648,569
1866.....	439,453½	794,952	218,210	813,792	1,608,745
1867.....	418,014	847,129	254,409	848,532	1,775,721
1868.....	437,394½	764,261	287,729	901,404	1,655,765

NORTHEASTERN RAILROAD OF SOUTH CAROLINA.

The report for the year ending March 1, 1869, states the following:

	In 1867-'68.	In 1868-'69.	Dec.	Inc.
Receipts from freight.....	\$172,618 82	\$151,844 89	\$20,683 43	.....
" " passengers.....	92,034 76	81,083 72	7,850 04	.....
" " mails and other sources.....	14,495 67	18,113 78	.. ..	\$3,610 11
	\$279,232 75	\$254,161 89	\$26,683 47	\$3,620 11
Operating expenses.....	172,655 82	145,489 09		
	\$106,576 93	\$108,725 80		
Excess of net income in 1868-'69.....				\$3,193 27
Testimony of the Treasurer will show that there remained at the credit of profit and loss account at the close of the past year.....				\$10,091 14
Since which it has been further credited with proceeds of transportation for 1868 and 1869.....				108,725 80
				\$119,134 44
And charged with interest on bonded debt and current interest.....		\$72,665 79		
Loss of stock in Society Hill and Marion's Bridge Company.....		2,887 65		
Right of way, previously unsettled.....		1,011 00		97,014 83
Leaving a balance at credit of profit and loss.....				\$22,120 11

The following will appear as the indebtedness on the 28th February, 1869 :

1,400 first mortgage bonds, of \$500 each, due September 1, 1869.....	\$700,000 00
280 second mortgage bonds, of \$500 each, due September 1, 1868.....	140,000 00
3,100 shares preferred stock, \$50.....	155,000 00
Certificates of indebtedness (for interest prior to 1st March 1867).....	107,765 14
Outstanding interest to 1st March, 1867.....	111,023 31
Outstanding interest, due in cash.....	4,968 30
Real estate bonds.....	28,000 00
Bills payable.....	27,148 05
Profit and loss.....	22,120 11
Stockholders.....	188,460 00
	<hr/>
	\$2,197,007 50
To meet this indebtedness we have the road (103 miles long) with its sidings, equipment, etc., at a cost of.....	\$2,142,120 00
And assets.....	49,876 87
	<hr/>
Total.....	\$2,196,007 50

The amount of second mortgage bonds, originally issued, was \$300,000—of which \$145,000 were sold—the remaining \$155,000 were subsequently pledged and deposited with trustees, as a security for a corresponding amount of preferred stock, say \$150,000. This preferred stock is then, virtually, a substitute for that amount of second mortgage bonds.

As stated above, the company's first mortgage bonds, amounting to \$700,000, mature on the 1st September, 1869, while the second mortgage bonds for \$140,000 are past due, having matured on the 1st September, 1868. Of the coupons representing the interest on the first, and unpaid up to March 1st 1867, there are still outstanding about \$92,000, and of those representing the interest on the second, and in the same position, there remain about \$22,000. These, with our past due bonds, are now held by comparatively few parties, who have submitted to a delay in their settlement, until they could be embraced in the general plan of the company for the readjustment of their entire debt; to take effect in September next. We are also indebted in a balance of \$28,000 on certain bonds for real estate in this city, purchased in 1858, and duly secured by a mortgage thereon, which is antecedent to those executed in 1855 and 1857, for the security respectively of their first and second mortgage bonds. In the readjustment of our debt, it would, therefore, be expedient and proper to consider these real estate bonds as among our first mortgage bonds, and to be absorbed by them, that the special mortgage thereon may be duly cancelled. We would, then, propose to you to consolidate and renew this whole indebtedness by the issue of 160 bonds of \$500 each, amounting to \$80,000, to be dated 1st September, 1869, and payable 1st September, 1899, bearing 7 per cent interest, payable semi-annually, by coupons attached, to be styled "first preferred bonds;" and by another issue of 640 bonds, of the same date, term and amount each, as the first, for \$320,000, to be styled "second preferred bonds," both to be secured by one general mortgage upon the entire property, rights, franchises, etc., of the company, duly expressing the order, and defining the conditions of these preferences, and their relations to each other. The first preferred bonds should then be offered in renewal of, or exchange for our old.

First mortgage bonds for.....	\$700,000
Outstanding interest and interest thereon.....	92,000
Real estate bonds.....	28,000
	<hr/>
	\$820,000
And the second preferred bonds should be applied to our old second mortgage bonds for.....	\$140,000
Outstanding coupons and interest thereon.....	22,000
	<hr/>
	\$162,000
Making our bonded debt.....	<hr/>
	\$1,142,000

LIABILITIES.

Capital Stock.....	\$15,000,000 00
Sunbury Bonds, issued by C. P. & A. R. R. Co., due July, 1874.....	50,000 00
Registered Bonds, issued by C. P. & A. R. R. Co., due January, 1880.....	1,000,000 00
Third Mortgage Bonds, issued by C. P. & A. R. R. Co., due October, 1892.....	1,000,000 00
Sinking Fund First Mortgage Bonds, issued by C. & T. R. R. Co., due July, 1875.....	2,014,000 00
Mortgage Bonds of 1866, issued by C. & T. R. R. Co., due April, 1876.....	864,000 00
*Present cash value of Securities held by Sinking Fund Commissioners, \$509,084 11	
Union R. R. First Mortgage, First Dividend Bonds, issued by C. & T. R. Co., past due.....	12,000 00
(not presented for redemption.)	
Union R. R. First Mortgage Second Dividend Bonds, due December 1872.....	16,000 00
Income Bonds, C. & T. R. R. Co., due Sept., 1870.....	5,000 00
Dividend certificates.....	185 00
Unpaid dividends.....	1,052 50
Subplus account.....	2,002,977 78
	<hr/>
	\$22,511,535 88

CONDITION OF THE NATIONAL BANKS OF THE CITY OF NEW YORK.

The following is the report of the condition of the National Banks in the city of New York at the close of business on the 17th day of April, 1869. Number of banks reporting, fifty-six:

Dr.	RESOURCES.	
Loans and discounts.....		\$132,692 110 27
Overdrafts.....		240,745 36
United States bonds to secure circulation.....		4,000,000 00
United States to secure deposits.....		1,760,000 00
United States bonds and securities on hand.....		7,677,400 00
Other stocks, bonds and mortgages (as per schedule).....		8,671,776 18
Due from other National Banks (as per schedule).....		10,519,574 25
Due from other banks and bankers as per schedule.....		1,361,477 76
Banking house, with real estate, and furniture and fixtures.....		7,074,108 19
Current expenses and taxes paid.....		1,271,971 23
Premiums.....		57,906 96
Cash item (including stamps) (as per schedule).....		2,341,430 40
Exchanges for clearing house.....		125,000,974 28
Bills of other national banks.....		2,191,715 10
Bills of State banks.....		2,392 00
Fractional currency (including Nickels).....		369,561 53
Specie, viz: Gold.....	\$1,952,555 21	
Gold Treasury notes.....	8,420,000 00	
Checks on other banks payable in gold.....	1,409,866 64	6,842,441 85
Legal tender notes.....		17,249,007 00
8 per cent certificates stamped as Clearing House certificates.....		15,000,000 00
8 per cent certificates.....		16,000,000 00
		<hr/>
		\$426,107,942 58
Cr.	LIABILITIES.	
Capital stock paid in.....		73,882,700 00
Surplus funds.....		18,901,094 96
Discount, exchanges, interest, and profit and loss.....		9,187,688 77
Circulating notes outstanding.....		84,514,377 00
State Bank circulation outstanding.....		253,998 10
Individual deposits.....	\$137,452,991 04	
Certified checks.....	84,278,000 21	
Cashier's check outstanding.....	1,81,053 02	221,327,053 77
United States deposits.....		8,516 00
Due to National Banks (as per schedule).....		59,317,855 11
Due to other banks and bankers (as per schedule).....		11,024,000 37
		<hr/>
		\$426,107,942 58

Statement showing the condition of the lawful money reserve of the National Banks in New York city at the close of business on the 17th day of April, 1869:

Liabilities to be protected by reserve—	
Circulation outstanding.....	\$34,558,337
Due to individual depositors.....	\$137,452,991
Certified checks.....	84,278,000
Cashier's checks outstanding.....	1,81,053

Gross deposits	222,328,078	
Due to the United States	89,708	
Due to national banks	51,857,805	
Due to other banks and bankers	12,610,000	
Gross amount of liabilities		\$323,952,510
Deduct—		
Due from National Banks	\$10,599,574	
Due from other banks and bankers	1,261,477	
Exchanges for Clearing House	125,060,974	
		126,922,025
Net amount to be protected		\$187,030,484
Amount required as reserve (25 p c. of net amount to be protected)		46,750,121
Proportion of reserve, which must consist of lawful money (two fifths of the reserve)		\$18,700,048
Funds available for reserve—		
Coin		\$1,912,556
Legal tender notes		17,290,007
Gold Treasury notes		8,420,060
Three per cent temporary loan certificates, stamped as Clearing House certificates		15,800,000
Aggregate amount of lawful money on hand		\$7,822,623
Three per cent temporary loan certificates held in addition to the above		16,000,000
Aggregate amount of funds available for reserve		\$23,822,623
Funds available for reserve exceeding amount required		\$7,072,501

COMMERCIAL CHRONICLE AND REVIEW

Monetary Affairs—Rates of Loans and Discounts—Bonds sold at New York Stock Exchange Board—Price of Government Securities at New York—Course of Consols and American Securities at New York—Opening, Highest, Lowest and Closing Prices at the New York Stock Exchange—General Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.

In financial affairs, April has been characterized principally by a relaxation of the stringency in money. At the opening of the month, the banks suffered serious inconvenience from the withdrawal of currency by the country correspondents in this and adjoining States, usually occurring in connection with the April settlements, so that from March 27th to April 10th, they lost nearly \$9,000,000 in deposits, and had to contract their loans \$6,500,000. This movement was naturally attended with excessive rates of interest, brokers having had to pay upon stock loans rates ranging from 10 to 50 per cent, the stringency being aggravated through the Comptroller of the Currency not calling for the periodical statement of banks, which naturally prevented the banks from expanding to meet the exigency.

The mercantile community suffered serious inconvenience from this condition of things, it being found extremely difficult to negotiate the best class of paper at 10 to 12 per cent, while the lower grades were almost unsaleable. About the 10th of the month the funds sent temporarily to the country banks began to flow back, and currency has, from that time, come in freely from the South Southwest and West, so that within the last three weeks the banks have increased their legal tenders \$5,000,000 and their deposits \$6,000,000, while the loans remained about stationary; for the last half of the month, therefore, money has been easy at 6 to 7 per cent on demand loans, and 8 to 10 per cent on discounts. At the close of the month the currency balance of the Sub-Treasury was reduced to the extremely low figure of \$3,500,000; this fact, however, appears to have caused little or no uneasiness; first, because it is understood to be the purpose of the Secretary of the Treasury to work upon a lower balance than formerly and, next, because although the weekly sales of gold will take a

considerable amount of gold into the Treasury, and the collection of income tax in May will have the same effect, yet other sections stand so largely indebted to New York that the receipts of currency from the interior will more than offset these movements. At the same time it is not to be concealed that the banks are not now in so strong a position as at this period of last year. In specie and legal tenders combined, they have less by \$6,000,000 than a year ago, and \$13,000,000 less than at the same time of 1867, while their deposits are \$3,000,000 less than in 1868, \$10,000,000 less than in 1867, and \$25,000,000 less than in 1866. Under these circumstances it would be unsafe to indulge in sanguine expectations of ease during the summer months.

The active speculation in United States bonds and the upward tendency in price which characterized the month of March, have been continued through April. At the close of March the larger portion of the supply on the market passed into the hands of foreign bankers, who were willing to take them in anticipation of a European demand, while domestic dealers were willing to sell them, under the supposition that the stringency in money would depress prices. The event has proved that the foreign dealers were the more sagacious, inasmuch as prices improved in the face of the monetary pressure and have since advanced, so that, at the close of the month, prices ranged from $2\frac{1}{2}$ to $3\frac{1}{2}$ per cent above the opening quotations. For the last fifteen days bonds have been steadily going out to Europe, and no small amount of the shipments have been supplied from "calls" upon domestic dealers, who have had to meet the demand by purchases rather than from stock on hand.

The Stock Market has exhibited a very decided firmness throughout the month. The large increase in the earnings of last month have encouraged a speculative feeling among outside speculators, and shares have advanced, in many instances, in opposition to the efforts of the cliques controlling them to keep them down. The more active stocks have been New York Central, Rock Island, Northwestern, and St. Paul. Erie has been very weak, and at the close fell to 18. Within the past week Hudson River and Harlem have advanced $8\frac{1}{2}$ to 9 per cent, in sympathy with efforts at Albany to secure authority to consolidate the roads with the New York Central. The total sales of stock at both boards, during the week, amount to 1,768,000 shares, which is 145,000 shares less than for the same month of last year.

Classes.	1868.	1869.	Increase.	Dec.
Bank shares ..	2,583	2,907	324	....
Railroad "	1,511,813	1,318,901	192,912	....
Coal "	2,904	2,712	192	64
Mining "	83,830	68,709	15,121	....
Improv't "	15,975	10,250	5,725	5,725
Telegraph "	74,689	68,401	6,288	5,893
Steamship "	178,811	51,457	127,354	225,274
Expr's &c "	95,109	44,834	50,275	50,275
Total—April ..	1,918,827	1,768,961	149,866	144,006
Since January 1..	7,756,214	5,226,319	2,529,895	2,529,895

Few bonds have been sold by investors; nor have the purchases from that source been important; the city and country banks appear to have been the principal sellers, their sales having been made perhaps less with a view to reinvesting in the same class of securities than in contemplation of employing their surplus in lower priced investments—a tendency which has been in power for the last two years. For the last week the market has been strengthened by an understanding more or less general that the Secretary of the Treasury intends carrying out the sinking fund provision by purchasing bonds for cancellation.

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	186.	Dec.
U. S. bonds	\$17,100,000	\$12,019,000	\$1,810,000	\$.....
U. S. notes	8,075,000			8,775,000
City & city bonds	4,000,000	4,000,000	1,000,000	.....
Company bonds	870,000	200,000	1,710,715	.....
Total—April	\$27,845,000	\$20,019,000	\$2,810,715	\$1,000,000
Since January 1	\$1,000,000	110,000,000	\$7,874,000	.....

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of April, as represented by the latest officially reported, are shown in the following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of week.	U. S. 1861.	U. S. 1862.	U. S. 1863.	U. S. 1864.	U. S. 1865.	U. S. 1866.	U. S. 1867.	U. S. 1868.	U. S. 1869.
1.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
2.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
3.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
4.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
5.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
6.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
7.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
8.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
9.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
10.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
11.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
12.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
13.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
14.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
15.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
16.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
17.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
18.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
19.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
20.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
21.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
22.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
23.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
24.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
25.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
26.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
27.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
28.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
29.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
30.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
31.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
1st.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
2nd.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
3rd.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
4th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
5th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
6th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
7th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
8th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
9th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
10th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
11th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
12th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
13th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
14th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
15th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
16th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
17th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
18th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
19th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
20th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
21st.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
22nd.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
23rd.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
24th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
25th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
26th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
27th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
28th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
29th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
30th.....	115%	115%	115%	115%	115%	115%	115%	115%	105%
31st.....	115%	115%	115%	115%	115%	115%	115%	115%	105%

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

Date.	Cons. for mon.	Am. securities for U. S. 1861.	U. S. 1862.	U. S. 1863.	U. S. 1864.	Date.	Cons. for mon.	Am. securities for U. S. 1861.	U. S. 1862.	U. S. 1863.	U. S. 1864.
1st.....	91%	81%	81%	81%	81%	Thursday.....	91%	81%	81%	81%	81%
2nd.....	91%	81%	81%	81%	81%	Friday.....	91%	81%	81%	81%	81%
3rd.....	91%	81%	81%	81%	81%	Saturday.....	91%	81%	81%	81%	81%
4th.....	91%	81%	81%	81%	81%	Sunday.....	91%	81%	81%	81%	81%
5th.....	91%	81%	81%	81%	81%	Monday.....	91%	81%	81%	81%	81%
6th.....	91%	81%	81%	81%	81%	Tuesday.....	91%	81%	81%	81%	81%
7th.....	91%	81%	81%	81%	81%	Wednesday.....	91%	81%	81%	81%	81%
8th.....	91%	81%	81%	81%	81%	Thursday.....	91%	81%	81%	81%	81%
9th.....	91%	81%	81%	81%	81%	Friday.....	91%	81%	81%	81%	81%
10th.....	91%	81%	81%	81%	81%	Saturday.....	91%	81%	81%	81%	81%
11th.....	91%	81%	81%	81%	81%	Sunday.....	91%	81%	81%	81%	81%
12th.....	91%	81%	81%	81%	81%	Monday.....	91%	81%	81%	81%	81%
13th.....	91%	81%	81%	81%	81%	Tuesday.....	91%	81%	81%	81%	81%
14th.....	91%	81%	81%	81%	81%	Wednesday.....	91%	81%	81%	81%	81%
15th.....	91%	81%	81%	81%	81%	Thursday.....	91%	81%	81%	81%	81%
16th.....	91%	81%	81%	81%	81%	Friday.....	91%	81%	81%	81%	81%
17th.....	91%	81%	81%	81%	81%	Saturday.....	91%	81%	81%	81%	81%
18th.....	91%	81%	81%	81%	81%	Sunday.....	91%	81%	81%	81%	81%
19th.....	91%	81%	81%	81%	81%	Monday.....	91%	81%	81%	81%	81%
20th.....	91%	81%	81%	81%	81%	Tuesday.....	91%	81%	81%	81%	81%
21st.....	91%	81%	81%	81%	81%	Wednesday.....	91%	81%	81%	81%	81%
22nd.....	91%	81%	81%	81%	81%	Thursday.....	91%	81%	81%	81%	81%
23rd.....	91%	81%	81%	81%	81%	Friday.....	91%	81%	81%	81%	81%
24th.....	91%	81%	81%	81%	81%	Saturday.....	91%	81%	81%	81%	81%
25th.....	91%	81%	81%	81%	81%	Sunday.....	91%	81%	81%	81%	81%
26th.....	91%	81%	81%	81%	81%	Monday.....	91%	81%	81%	81%	81%
27th.....	91%	81%	81%	81%	81%	Tuesday.....	91%	81%	81%	81%	81%
28th.....	91%	81%	81%	81%	81%	Wednesday.....	91%	81%	81%	81%	81%
29th.....	91%	81%	81%	81%	81%	Thursday.....	91%	81%	81%	81%	81%
30th.....	91%	81%	81%	81%	81%	Friday.....	91%	81%	81%	81%	81%
31st.....	91%	81%	81%	81%	81%	Saturday.....	91%	81%	81%	81%	81%

The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities quoted at the New York Stock Exchange during the months of March and April, 1869:

	March				April			
Railroad Stocks—	Open.	High.	Low.	Clos.	Open.	High.	Low.	Clos.
Albion & Terre Haute.....	24	28	25	26	26	28	25	26
Albion & Terre Haute pref.....	66	66	65	65	65	67	65	67
Boston, Hartford & Erie.....	23	25	22	23	23	25	22	23

Chicago & Alton	159	159	149½	149½	149½	162	159	161½
do do pref	156½	156½	151	150	150	16½	150	161½
Chicago, Burl. & Quincy.....	174½	174½	171	173	173	175	173	175
do & Northwest'n.....	82½	82½	81	81½	81	81½	81	81½
do do pref.....	93	93½	89½	92½	93½	9½	91½	93½
do & Rock Island.....	128	131	124½	131	128	129	125	127½
Columb., Chic. & In. C.....	46	45	42½	43½	43	49	3½	45½
Clev. & Pittsburg.....	89½	89½	87	87	86½	94	8½	91½
do & Toledo	106½	107½	104½	106½	97	97	96½	97½
do Col., In. & Ind.....	63½	69	63	65	65	79	64½	65
Del., Lack. & Western.....	117½	117½	118½	118½	114	116	114	115½
Dubuque & Sioux city	103	115½	107	113½	116	116	114½	116
do do pref.....	101	101	101	101	.....	.....	.....	.....
Harlem	134½	137	134½	135	135½	140	135	139
Hannibal & St. Joseph.....	115	119	108	117	114½	114	114	116
do do pref.....	115	115	110	114	113	114	113	113
Hudson River	136	140½	135½	133	140	154	128	156
Illinois Central	140	141	139	139	139	145½	139	144
Joliet & Chicago.....	96	96	96	96	95	95	95	95
Long Island.....	45	47	45	47	46	46	46	46
Lake Shore	106	107½	105	106½	97	106½	97	107½
Mar. & Cincin., 1st	24	24	23	23½	23½	23½	20½	21
do do 2d	8½	8½	8½	8½	8½	8½	8½	8½
Michigan Central	118	118½	117½	118½	118½	121	118½	121
do S. & N. Ind.	97	97½	94½	95½	95½	103½	95½	103½
Milwaukee & St. Paul.....	66½	71½	64½	71½	73	81	61½	79
do do pref.....	78½	80½	76	80½	80½	83	80	86½
Morris & Essex.....	87	83	86½	86½	88	89½	87½	89½
New Haven & Hartford.....	.....	.....	.....	.....	200	200	200	200
New Jersey	129	129	129	129	124	126	124	125
do Central.....	111	112	108½	103½	108½	113	108	111½
New York Central	162	164½	155½	160	161½	175½	159½	173
do & N. Haven.....	.....	.....	.....	.....	120	121	110	121
Norwich & Worcester.....	105½	105½	100	109½	100	104	100	104
Ohio & Mississippi.....	84	84	83	82½	83	84½	82½	83½
do do pref.....	75	74	75	76	76	76	75	75
Panama	830	833	830	830	835	830	835	835
Pittsb., Ft. W. & Chica.....	124	125½	117	123½	124½	139	123	127½
Reading	92½	92½	91	91	91	97½	91	97½
Rome, W. & Ogdensburg	11½	11½	11½	11½	.....	.....	.....	.....
Stonington.....	.....	.....	.....	.....	88	83	81	83
Toledo, Wab. & Western.....	66	69	65½	66½	67	73½	63½	74
do do do pref.....	73	79	78	79	77½	80	77½	79
Warren	87½	87½	87½	87½	.....	.....	.....	.....
Miscellaneous—								
American Coal.....	.....	.....	.....	.....	40	40	40	40
Central	62½	63	62½	63	6½	62½	62½	62½
Cumberland Coal.....	87	87	87	87	83	85	80	80
Del. & Hud. Canal Coal.....	128½	129	127	123	126½	130	125½	130
Pennsylvania Coal.....	215	217	212½	215	.....	.....	41	44
Spring Mountain Coal.....	.....	.....	.....	.....	44	44	41	44
Wilk-barre Coal.....	28	28	23	28	.....	.....	.....	.....
Atlantic Mail.....	20	20	20	20	23	23	23	23
Pacific Mail	101½	101½	88½	89½	81½	9½	89½	94½
Boston Water Tower.....	16	13½	16	16	16	17½	16	16
Canton	59½	61½	59	59	59	61	59	61
Brunswick City.....	9½	9½	9½	9½	9½	9½	9½	9½
Mariposa	13½	19½	13	18½	19	23	15½	20
do pref.....	23½	25	21½	24½	34	44½	24	41
Quicksilver.....	25½	25½	19½	21	20	22½	20	21
Union Trust.....	145	145	145	145	.....	.....	.....	.....
West. Union Telegraph.....	87½	88½	86½	88½	89½	43½	39	43½
Express—								
American M. Union.....	40½	45	39½	40½	40½	43	39½	44½
Adams	60	64	58	59½	58	63	59½	63
United States.....	55	56½	54	56½	56	63	56	63
Merchant's Union	16	17½	15	15	15½	16	15	16
Wells, Fargo & Co.....	31½	33	30	30	30½	37½	30½	36

In the gold premium there has been a steady reaction from the low figures of last month, the price having advanced from 131½ to 134½. The principal cause of the change has been the adverse course of our foreign trade, and the anticipation of the remittances to be made at the beginning of May, against the coupons of foreign bondholders. The offer of the Secretary of the Treasury to prepay the coupons of May and July, with rebate, was but little availed of, the whole amount prepaid being within \$3,000,000. On the 29th the Treasury sold, by public tender, \$1,000,000—the first of a series of weekly sales, to be continued until further notice. This sale and the maturing of \$24,000,000 of coin interest to-day, have, however, failed to check the upward tendency of the premium. Owing to the incompleteness of the data, we defer our usual monthly statement of the specie movement until next week.

COURSE OF GOLD AT NEW YORK.

Date.	Open'g	Lowest	High'g	Closing	Date.	Open'g	Lowest	High'g	Closing
Thursday....	117 1/2	181 1/2	181 1/2	181 1/2	Friday.....	23	183 1/2	183 1/2	183 1/2
Friday.....	2	183 1/2	183 1/2	183 1/2	Saturday.....	2	183 1/2	183 1/2	183 1/2
Saturday.....	3	181 1/2	181 1/2	181 1/2	Monday.....	26	183 1/2	183 1/2	183 1/2
Sunday.....	5	181 1/2	181 1/2	181 1/2	Tuesday.....	27	183 1/2	183 1/2	183 1/2
Monday.....	6	181 1/2	181 1/2	181 1/2	Wednesday.....	28	183 1/2	183 1/2	183 1/2
Tuesday.....	7	181 1/2	181 1/2	181 1/2	Thursday.....	29	183 1/2	183 1/2	183 1/2
Wednesday.....	8	181 1/2	181 1/2	181 1/2	Friday.....	30	183 1/2	183 1/2	183 1/2
Thursday.....	9	181 1/2	181 1/2	181 1/2	April 1, 1869.....	181 1/2	181 1/2	181 1/2	181 1/2
Friday.....	10	181 1/2	181 1/2	181 1/2	" 1869.....	181 1/2	181 1/2	181 1/2	181 1/2
Saturday.....	11	181 1/2	181 1/2	181 1/2	" 1869.....	181 1/2	181 1/2	181 1/2	181 1/2
Sunday.....	12	181 1/2	181 1/2	181 1/2	" 1869.....	181 1/2	181 1/2	181 1/2	181 1/2
Monday.....	13	181 1/2	181 1/2	181 1/2	" 1869.....	181 1/2	181 1/2	181 1/2	181 1/2
Tuesday.....	14	181 1/2	181 1/2	181 1/2	" 1869.....	181 1/2	181 1/2	181 1/2	181 1/2
Wednesday.....	15	181 1/2	181 1/2	181 1/2	" 1869.....	181 1/2	181 1/2	181 1/2	181 1/2
Thursday.....	16	181 1/2	181 1/2	181 1/2	" 1869.....	181 1/2	181 1/2	181 1/2	181 1/2
Friday.....	17	181 1/2	181 1/2	181 1/2	" 1869.....	181 1/2	181 1/2	181 1/2	181 1/2
Saturday.....	18	181 1/2	181 1/2	181 1/2	" 1869.....	181 1/2	181 1/2	181 1/2	181 1/2
Sunday.....	19	181 1/2	181 1/2	181 1/2	" 1869.....	181 1/2	181 1/2	181 1/2	181 1/2
Monday.....	20	181 1/2	181 1/2	181 1/2	" 1869.....	181 1/2	181 1/2	181 1/2	181 1/2
Tuesday.....	21	181 1/2	181 1/2	181 1/2	" 1869.....	181 1/2	181 1/2	181 1/2	181 1/2
Wednesday.....	22	181 1/2	181 1/2	181 1/2	" 1869.....	181 1/2	181 1/2	181 1/2	181 1/2
Thursday.....	23	181 1/2	181 1/2	181 1/2	" 1869.....	181 1/2	181 1/2	181 1/2	181 1/2

The following formula will show the movement of coin and bullion at the port of New York during the month of April, 1868 and 1869 respectively:

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK.

	1868.	1869	Increase.	Decrease
Receipts from California.....	\$2,466,398	\$1,105,001	\$1,361,397	\$1,361,397
Imports of coin and bullion.....	777,539	4,624,513	3,846,974	3,846,974
Coin interest paid.....	976,160	4,635,400	3,659,240	3,659,240
Total reported supply.....	\$4,219,997	\$6,364,914	\$2,144,917	\$2,144,917
Exports of coin and bullion.....	\$5,467,619	\$2,091,661	\$3,375,958	\$3,375,958
Customs duties.....	10,241,419	10,936,263	694,844	694,844
Total withdrawn.....	\$15,709,038	\$13,087,924	\$2,621,114	\$2,621,114
Excess of withdrawals.....	\$11,487,619	\$2,581,935	\$8,905,684	\$8,905,684
Specie in banks decreased.....	2,162,762	1,887,629	275,133	275,133
Derived from unreported sources.....	\$9,081,419	\$891,428	\$8,190,000	\$8,190,000

The following exhibits the quotations at New York for bankers 60 days bills on the principal European markets daily in the month of March, 1869:

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.....	London. cents for	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin cents for thaler.
1.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
2.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
3.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
4.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
5.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
6.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
7.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
8.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
9.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
10.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
11.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
12.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
13.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
14.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
15.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
16.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
17.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
18.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
19.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
20.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
21.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
22.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
23.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
24.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
25.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
26.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
27.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
28.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
29.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
30.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
April 1, 1869.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
April 2, 1869.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
April 3, 1869.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2
April 4, 1869.....	107 1/2 @ 109 1/2	525 @ 516 1/2	89 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 38 1/2	70 1/2 @ 71 1/2

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tenders.	Ag. clear'g.
January 2....	\$259,190,037	\$20,734,122	\$44,379,109	\$180,490,445	\$48,896,421	\$585,101,799
January 9....	258,792,562	27,384,780	34,314,156	187,904,589	51,141,128	707,772,051
January 16...	262,328,831	29,278,586	34,379,158	195,484,843	52,927,038	675,756,611
January 23...	264,454,609	28,664,197	31,245,446	197,101,163	54,022,119	671,224,542
January 30...	265,171,109	27,784,928	34,281,156	196,985,462	54,747,569	642,367,246
February 6...	266,541,731	27,689,404	34,246,486	196,602,899	53,474,123	670,322,479
February 13..	264,380,407	31,854,831	34,268,451	192,977,860	52,834,952	690,754,499
February 21..	263,424,064	28,411,091	34,247,321	187,612,546	50,997,197	709,991,049
February 27..	261,371,697	20,832,603	34,247,981	185,216,175	50,835,154	529,216,491
March 6....	262,089,888	19,476,634	34,275,885	181,604,437	49,145,769	727,118,121
March 13.....	261,669,695	17,353,671	34,690,445	172,392,458	49,639,621	679,772,699
March 20.....	262,086,902	15,214,806	34,741,310	168,504,999	50,774,874	730,716,099
March 27.....	263,909,549	12,073,721	34,777,814	170,113,910	50,655,193	797,967,095
April 3.....	261,483,673	10,777,349	31,816,916	175,325,789	48,496,259	837,222,091
April 10.....	257,120,227	8,794,543	34,604,360	171,495,500	48,644,732	811,054,453
April 17.....	255,184,682	7,811,779	34,486,761	172,203,494	51,001,488	772,345,254
April 24.....	257,458,074	8,830,160	34,060,511	177,310,080	53,677,698	752,905,766

PHILADELPHIA BANK RETURNS.

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.....	\$51,716,999	\$352,483	\$132,039,7	\$33,121,023	\$10,593,719
January 11.....	51,642,237	344,691	13,494,109	33,768,511	10,593,823
January 18.....	52,122,783	478,462	13,729,493	34,625,158	10,596,569
January 25.....	52,537,015	411,837	14,054,670	34,555,462	10,592,914
February 1.....	52,632,813	32,781	14,396,570	39,677,946	10,599,351
February 8.....	53,032,716	317,011	13,795,595	40,050,399	10,596,582
February 15.....	52,929,391	204,681	13,573,043	38,711,575	10,582,248
February 22.....	52,416,146	211,807	13,203,607	37,990,986	10,478,546
March 1.....	52,251,251	256,933	13,010,503	37,735,105	10,458,546
March 8.....	52,282,000	297,897	13,253,201	38,243,256	10,458,952
March 15.....	51,911,512	277,517	13,023,207	37,571,582	10,458,721
March 22.....	51,323,419	225,097	12,765,759	36,944,009	10,461,494
March 29.....	50,597,100	210,644	13,021,315	36,863,344	10,472,429
April 5.....	50,492,446	199,013	12,169,221	35,375,854	10,622,296
April 12.....	50,770,193	181,246	12,643,257	36,029,133	10,623,186
April 19.....	51,478,371	267,818	12,941,783	37,031,747	10,619,425
April 26.....	51,294,222	164,261	13,610,063	37,437,235	10,634,497

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.....	\$98,423,144	\$7,203,401	\$12,928,332	\$37,538,767	\$5,151,346
January 11.....	100,727,007	8,075,844	12,864,700	38,032,891	25,275,047
January 18.....	102,205,209	2,677,658	12,992,827	39,717,193	25,242,323
January 25.....	102,959,942	2,394,710	13,222,874	39,557,747	25,272,200
February 1.....	103,696,153	2,161,284	12,464,225	40,276,462	25,212,947
February 8.....	101,312,425	2,073,908	12,452,795	39,693,877	25,222,657
February 15.....	103,215,044	1,845,524	11,642,556	37,760,712	25,292,122
February 22.....	102,252,682	1,545,418	11,269,790	36,322,814	25,294,053
March 1.....	101,309,539	1,223,936	11,200,149	35,439,466	25,291,597
March 8.....	101,425,432	1,297,599	10,945,972	35,535,690	25,242,377
March 15.....	100,820,203	1,277,815	10,869,183	34,051,716	25,251,024
March 22.....	99,553,319	1,330,864	10,490,448	32,641,047	24,259,322
March 29.....	99,670,945	987,769	11,646,223	32,991,420	24,264,197
April 5.....	96,949,714	862,276	11,943,884	33,504,039	24,471,716
April 12.....	99,625,472	750,160	11,891,519	34,392,377	25,292,782
April 19.....	99,115,750	639,460	11,499,925	31,257,071	25,261,844
April 26.....	98,971,711	617,483	12,361,897	35,302,203	25,229,751

THE
MERCHANTS' MAGAZINE
AND
COMMERCIAL REVIEW

JUNE, 1869.

THE GOVERNMENT PURCHASES OF BONDS.

The most prominent feature of the administration of the finances under Mr. Boutwell, is the inauguration of the purchase of Government securities. The Secretary has determined, apparently using the proceeds of the Treasury sales to purchase Five-Twenty obligations. We presume there will be a surplus of revenue, beyond what is necessary to enable him to undertake this. It is competent, from his position, to estimate of his surplus means. Under the present expenditure, it may appear, to ordinary uncertainty as to how the revenues and disbursements will square with each other; the public, however, will leave the Secretary's judgment on the matter. The sum is certainly unusually large, and will leave

a heavy surplus of coin for conversion into currency. It is not improbable that the gold revenue for the current year may be close upon \$175,000,000, or fully \$50,000,000 in excess of the coin payments, equal to say \$67,500,000 currency. What proportion of this will be required to compensate for the deficiency of currency income, and what balance may be left for the purchase of bonds, remains to be seen. We presume, however, that Mr. Boutwell will promptly suspend his purchases of securities when he finds his funds are required for other purposes; and it is perhaps too much to expect that the selling of gold and the buying of bonds will be continued regularly the year round.

In considering then the policy of the present purchases of bonds, it should be remembered that the Secretary has on hand a surplus of revenue. The question is not whether the taxes should be reduced, or should be continued on the present scale for the purpose of paying off the Debt; but, circumstanced as the Secretary now is, with a large surplus of funds, and with authority to reduce the Debt, we do not see how he could do otherwise than employ his surplus in some manner calculated to improve the public credit and economize the expenditures.

The purchase of bonds is certainly calculated to secure both these objects. The spectacle of a country reducing one per cent annually of its Debt is something so uncommon in the financial history of nations, as to have a very direct tendency to enhance its credit. The taking in of bonds saves to the Government a high rate of interest for a succession of years; which, as an economy of expenses, it redounds to the public credit. There is room, however, for diversity of opinion as to whether the Secretary best employs his funds and secures the foregoing objects, by the purchase of Five-Twenties. It may be truly urged in favor of the selection of the Five-Twenty bonds that, in buying them, he makes the largest economy of interest; and that, by making them comparatively scarce and enhancing the price, he prepares the way for the ultimate conversion of this class of securities into obligations bearing a lower rate of interest; and this argument is the stronger because it involves, not only the largest present saving of interest, but also an improvement of the prospect of an ultimate economy of interest upon nearly the whole of the gold-bearing Debt. So far, the Secretary's policy is supported by weighty and statesmanlike considerations.

It must, however, be allowed that there are certain features in the present position of the finances which go far toward counteracting these wholesome bearings of the Secretary's course. There are now out and owing \$410,000,000 of demand obligations; upon seven eighths of which payment is still suspended, while the remainder, consisting of Three per cent Certificates are liable to payment on presentation. At home, we

have become so accustomed to financial derangements as to be comparatively insensible to the effect of this suspension, upon our currency obligations. In Europe, however, our credit is regulated to a very great extent by this consideration; and probably little benefit will result in foreign markets from our thus buying up our long obligations while nothing is being done to provide for the payment of our demand indebtedness. This difference in the estimate of Mr. Boutwell's policy at home and abroad will, in part, account for the fact that, since its adoption, Five-Twenties have advanced 6 per cent at New York, while they have actually declined 2 per cent in Europe. Of course, however, the fall in the foreign markets must be partly attributed to the action of the Bank of England, designed to discourage speculation in our securities. Unfortunately, this discrepancy in prices has induced a large advance in the gold premium; which became necessary to equalize the gold value of bonds at both points; incidentally, therefore, we have a very inconvenient and demoralizing result from the earlier purchases of bonds.

This condition of affairs suggests the inquiry, whether it would not be wise to suspend the purchases for a time. Besides, there are important reasons claiming the devotion of at least a portion of the Treasury surplus to the retiring of the 3 per cent Certificates. These obligations are in the nature of a temporary loan. They were issued less for the convenience of the Treasury than the banks, which suffered embarrassment from the sudden deprival of the Compound legal-tenders, and desired to have a temporary substitute which might afterward be gradually withdrawn. It is not supposable that this form of legal-tender reserve is to be permanent; and there seems to be no special reason why its gradual retirement should be undertaken hereafter rather than now. There are \$53,240,000 of these obligations outstanding, and principally in the hands of the banks, who can present them in any amount for payment on demand. This exposure of the Treasury balance to a sudden drain would be a matter of little importance were the balance kept, as formerly, at from \$25 000,000 to \$40,000,000; but it is a matter of settled policy with Mr. Boutwell to keep his currency balance at about one-third the former high figures, and, as a collateral policy, it seems necessary that he should guard himself against any heavy or sudden demand upon his resources. Desirable as the Certificates may be to the banks, as a reserve, yet in periods of severe monetary pressure they are apt to present them for redemption in large amounts. During October last \$7,000,000 were tendered for redemption, and in December \$2,725,000; and with a currency balance in the Treasury ranging, as of late, between \$5,000,000 and \$10,000,000, it appears necessary either that the Secretary should keep a larger currency reserve or that he should lessen his liability to demands from this source.

It is true that Mr. Boutwell is provided, under section 3 of the Act of July 11, 1862, with a reserve of \$50,000,000 of United States Notes, which could be made available for paying off the Certificates; but, in the interest of conservative finance, it is high time this reserve were withdrawn, and the Treasury so managed as to obviate the necessity of ever touching a resource provided for a much more critical condition of affairs than now exists. The retiring of these obligations, up to a certain limit, would involve no contraction of the currency; for the reduction of the currency in the hands of the Treasury has thrown a correspondingly increased amount of money into general circulation; and the retirement of Certificates to an extent corresponding to that reduction could therefore involve no disturbance of the equilibrium of the money market. Nor, again, is it to be overlooked that, so far as the Secretary might diminish the amount of these temporary obligations, he would remove one important obstacle to the resumption of specie payments; which would be an important step toward the improvement of the public credit. It is true, the Government has not the option of calling in these Certificates at its discretion; the Secretary has, however, the same right to purchase them that he has to buy any other obligation; for section 1 of the Act of July, 1862, provides that the Secretary of the Treasury "may *purchase*, at rates not exceeding that of the current market, and cost of purchase not exceeding $\frac{1}{8}$ of one per cent, any bonds or *certificates of debt* of the United States as he may deem advisable."

In some quarters, the authority of the Secretary to make purchases of bonds has been called in question; but, as it appears to us, upon very slender grounds. The Secretary has a double authorization for his action; first, under section 5 of the Act of Feb. 25th, 1862, which requires that the income from customs shall be devoted primarily to the payment of the coin interest upon the Debt, and next "to the *purchase* or payment of 1 per centum of the entire Debt of the United States, to be made within each fiscal year;" and, second, under the first section of the Act of July 11th, 1862, above quoted. The Sinking Fund provision of the former of these acts must be regarded as mandatory.

So long as the management of the finances was embarrassed by constantly maturing short obligations, or was attended with an increase of the Debt, the fulfilment of this law might perhaps be regarded as more punctilious than prudent; but now that the Debt is in a comparatively consolidated condition, there is no longer any valid excuse for neglecting the requirements of the Sinking Fund. There may be differences of opinion as to the principle of a sinking fund; and it may be regarded as a mistake that the management of the finances has been encumbered by such a provision; but arguments based upon such considerations can be of no

force against Mr. Boutwell's carrying out this law. While the law exists, it must be enforced. It is, however, suggested that the terms of the Public Credit Bill, passed last session, virtually hold the Sinking Fund provision in abeyance, so long as the suspension of specie payments continues. This we take to be a total misconception. The chief, indeed sole, object of that bill was to assure the public creditors, and by so doing, to facilitate the ultimate reduction of the interest upon the Debt. The bill, therefore, requires that the Government shall not undertake the redemption of any of its bonds before maturity, unless it shall have resumed the payment of United States Notes in gold. This stipulation was designed not to prevent any reduction of the Debt previous to resumption, but to give double assurance of the payment of Five-Twenties in coin, by determining that there shall be no redemption of them until coin has again become the common currency. How, then, can a promise not to *pay* the bonds, otherwise than in coin, be construed into an intention not to fulfill a previous engagement to "*purchase*" them in the open market? Had the Public Credit Bill been designed to supersede the Sinking Fund, its framers could hardly have failed to include a repealing clause; but, so far from this, the spirit and object of both laws is the same, while there is not a word in the bill to prohibit the purchase of bonds. The Public Credit bill engages that there shall be no compulsory payment of the bonds in a depreciated currency; the Sinking Fund law authorizes the Secretary to accept a voluntary surrender of the bonds, upon terms satisfactory to both parties; in what sense can the two laws be considered as opposed, or as nullifying each other?

THE ALABAMA QUESTION HERE AND IN ENGLAND.

It is reported that it was a singular letter of Professor Goldwin Smith, to an English journal, which gave the first impulse to the downward movement in United States securities abroad last week, and the same letter has evidently given rise to much of the excitement which appears in the English journals. We fear Mr. Smith was the victim of some Yankee's practical jokes, for certainly when he writes that the wrath of our people makes it inexpedient for Englishmen to emigrate to this country, he may alarm the English, but he only makes people here laugh.

If an Englishman were to inquire here, diligently, among all classes of the community in town and country, as to the state of feeling on the Alabama question, he would discover that, the treaty having been rejected, there is absolutely no feeling about it. There is no doubt that Mr. Reverdy Johnson's treaty was distasteful to the American people; they were not willing to submit to arbitration, in the manner they understood that treaty to propose, the question whether we had suf-

ferred wrong at the hands of Great Britain during the late war. That question they believe is not open to argument. Nor were they content with an arrangement which lumped the Alabama claims with the claims, well or ill-founded, of British blockade runners and other vermin of that kind.

But the treaty being rejected, they would have forgotten the question before now had not Mr. Sumner's speech created such intense, and to us here amusing excitement in England. As to the Sumner speech, we doubt if one voter in fifty thousand has read it. It was delivered in secret session of the Senate; it was not printed until after its object—the rejection of the treaty—was accomplished; it was very long, and our people do not read long speeches.

Those who did read it regarded it, so far as we have heard, chiefly as a curiosity. Mr. Sumner has long been known here as the strong friend of England and Englishmen. It is pretty generally understood that he knows more English public men than any other of our politicians; that he keeps up a pretty lively correspondence with such men; and it is believed that he is especially averse to any trouble between England and this country. People who read his speech were therefore amazed to find him presenting so strong a case against England; if he had made a speech for the treaty no one would have been surprised.

But an enquiring Englishman would seek in vain here for any one who adopts Mr. Sumner's speech as a basis of settlement. He would find plenty of people who relish the speech as a rather good joke of the Senator's; and a good many more who are vexed that he should have muddled the matter, by a pretence of "constructive damages."

And if the Englishman enquired further, he would find it to be the very general, and, indeed, almost universal opinion of our people, that we need not trouble ourselves about the Alabama claims; that the precedent set by the British Government during our late war is so embarrassing now to Great Britain that she can afford to pay any reasonable bill of damages rather than remain open to such a retort as we could and undoubtedly would make if she should go to war with any other nation; and that, England being thus caught in her own trap, we may as well let her get out of it as best she can. "If the English want to settle the Alabama claims let them send over a minister, with power to do so. Why should we be running over there with our hats off and our little bill in our hands? We are not pinched;" that is what the average American says. That does not mean war, as the English journals are apparently trying to persuade their readers; it means that Brother Jonathan sees his cousin John Bull in what he would call an "ugly fix," and he enjoys Mr. Bull's embarrassment, and does not mean to help him out of it.

That is the whole of the Alabama question on this side. Nobody here expects a war with England, not only that, nobody here wants a war with England; but one thing is very certain,—if England gets into a war with another country before she settles the question, not all the proclamations which the President could issue, nor all the navy to back them, could prevent the fitting out here of privateers, to retort upon the commerce of Great Britain what she suffered her ships and seamen to inflict upon ours.

As to the terms of settlement, it would be well for English statesmen to remember that the United States are committed, by every tradition and precedent to any plan which will totally abolish, not merely privateering, but also the capture of private property at sea by armed vessels of any kind. From the days of Franklin to this time, we have been ready at all times to agree with all the great nations to make private property sacred on the high seas. Our envoys made that proposition at the last Paris Conference upon international maritime regulations, and it was rejected. We do not doubt that our government would agree to such a law now; but, of course, we should expect that England, making such an agreement, would acknowledge that in the late war she wronged and outraged us, and pay our shipowners for the losses which her ill-conduct inflicted upon them.

THE UNITED STATES AND GREAT BRITAIN.

THEIR POLITICAL AND COMMERCIAL RELATIONS.

In the month of March, 1868, the committee of the Cobden Club, of London, resolved that a gold medal should be annually presented by the Club to the author of the best essay on some important question with which the late Richard Cobden, M. P., had been identified during his life. The subject first chosen was, "*On the best way of developing improved political and commercial relations between Great Britain and the United States of America.*" The following essay, written by Rev. Joshua Leavitt, D. D., of this city, is that to which the prize for 1868 has been awarded. It is an able and clear presentation of some of the general principles in which political economists of the day are agreed; and although many will take exception to some of the details of argument and illustration, the general plan by which the writer proposes to improve the relations existing between the two leading nations of the world, will be heartily approved by those most familiar with the subject. We publish the essay in full, and commend it to the careful perusal of our readers.

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plenty of people; and a growth, but intelligent, ambitious and enterprising; and a small and compact domain, of vast resources, and that constitutes true worth and dignity; the other

And if it is a domain, but circumscribed in a homestead, having very generous relations of wealth, and ennobled with the highest titles, we need through a history of a thousand years. In what way are the antecedent friendly relations to be developed and preserved between two Russian families? We shall have to provide against the influence of marriage rivalries, the intrigues of mutual enemies, and the errors and passions inseparable from poor human nature. The success of our experiment will depend upon the full and constant recognition of two facts: first, that the families are wholly distinct—that they are two, and not one; and secondly, that for all the purposes of this inquiry they are to be regarded as on equal ground. No assumptions of superiority in the one, no admissions of inferiority in the other, are allowable, because by the suppositions each is as independent as the other; and each in its voluntary relations is subject only to its own will. Practically, of course, the lead will be taken by the older family as to the manner and form of mutual intercourse.

Comity consists in mutual concession, and concession comes with grace from those who have in some sense the advantage. Advances which would be courtesy in one, would be servility in the other. The terms of intercourse, the degree of familiarity, the frequency and intimacy of visits, the multiplication of common pursuits and interests, the line between familiarity and reserve, would be regulated by the wishes of the older family. Many things can be accepted when given, which we cannot be asked for without a loss of self respect. And it is only by the happy union of mutual esteem with unwounded self esteem that intercourse between equals becomes productive of lasting friendship. Wisdom and self control are required as well to refrain from taking, as to avoid giving, offence. Only intentional wrong ought to be resented, and then with seriousness only corresponding to the evident malignity of the intention. A manly and sincere spirit will dismiss a thousand trifling incidents with, "What is that between me and thee?"

The chief interests of a family in which the family life consists, are its own, and by the instinct of self preservation are devolved upon its own care for their preservation; and nothing pertaining thereto which is not plainly unjust, ought to be taken in an offensive sense.

If I strengthen the fences around my own fields, it is not for my neighbor to inquire whether it is to keep my cattle from spoiling his crops, or to keep his cattle from devouring my harvest. There are but few cases, even between the nearest relations, where good neighborhood is not best perpetuated by the habit of interchanging visits through the street door, and with the forms of ordinary politeness, rather than by 'running in' through a postern gate across the garden.

The frequent and easy interchange of ordinary civilities, as well as positive acts of kindness, should have every facility on both sides, and yet never be made obtrusive or burdensome. There is no obligation, even of friendship, requiring one family to adopt the manners or copy the forms of another, in things in either small or great. It is essential to the mutuality of courtesy that its forms be spontaneous and free.

Short settlements make long friendships. The frequent balancing of accounts in business is a sure preventive of incurable alienations. And in cases of actual misunderstanding, all the manuals of good manners ever written contain nothing so complete as the simple rule of Christian ethics—"If thy brother trespass against thee, go and tell him his fault between thee and him alone."

Personal and prompt explanations between the parties, without any communication with others, would settle the greater part of the obstinate quarrels which disgrace civilized society.

The frequency and familiarity of intercourse between families for

business or friendship can be regulated only by a judicious regard to the condition of both, and can neither be exacted nor restricted at the mere pleasure of one.

Yet the increase of friendly relations depends upon the freedom and familiarity of mutual intercourse, and the constant interchange of offices of kindness, within the limits of common sense and sincere good will.

HOW THE RELATIONS BETWEEN THE TWO NATIONS MAY BE IMPROVED.

Two families thus living as neighbors and friends through a course of years, could not but grow more alike in many things, while some peculiar characteristics of each might appear more marked and distinct. As, in mathematical problems, the asymptote is described as a line which "always approaches without ever meeting its curve," in like manner two families, or two persons, in process of the highest culture under the influence of the firmest friendship, would continually assimilate to each other, without ever becoming identical. It is not necessary to point the application to the case of these two distinct and kindred nations. The parable presents the outline of that free and voluntary intercourse of courtesy and kind offices, by which alone "improved commercial and political relations" between them would grow and develop themselves. Such causes produce their effects, independently alike of formal compacts and of governmental regulations, but in a way to give shape and direction both to treaties and laws. Nations as such do not visit each other. Their mutual intercourse and relations are maintained through the personal visits of individuals, the interchanges of thought by means of the post office and the press, the operations of diplomacy, and the exchange of commodities in trade. Leaving emigration out of the case, it is supposed that one hundred Americans visit England, where one Englishman visits America, either for purposes of trade or for pleasure and improvement.

The reasons for this disparity are too many to be recounted, and are almost as various as the inclinations of individuals. The great increase of such intercourse must be a vital element in the "improved political and commercial relations" of the future.

Those who have the most to learn, and those who are the most eager to see and know, will be the most eager to go; while those who furnish the most to be seen, or who take most pains to entertain and gratify strangers, will naturally attract the greatest number of visitors. Those who go to see, and to learn, and to enjoy, will be the best welcomed and most gratified; while those who go to criticise, to find fault, to scandalize, or to gratify a sour and selfish egotism, will see all things with jaundiced eyes. Either way, a large part of the mutual knowledge and

THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW

JUNE, 1869.

THE GOVERNMENT PURCHASES OF BONDS.

The most prominent feature of the administration of the finances of the purchase of Government bonds has determined, apparently as proceeds of the Treasury sales of twenty obligations. We presume that there is a surplus of revenue, beyond what is required to enable him to undertake this purchase, competent, from his position, to make use of his surplus means. Under the administration, it may appear, to ordinary persons as to how the revenues and disbursements are with each other; the public treasury's judgment on the matter. The purchase is unusually large, and will leave

of classes are leading features of social organization ; and another which bases its national life upon the sentiment that all men are created equal, and have equal rights in all that constitutes individual life and development, cannot but grow more and more unlike in many things, in which neither could become like the other but by a forced imitation, alike unnatural and prejudicial. The degree both of likeness and unlikeness which the future development of amicable relations is to produce, is not a matter of calculation.

The whole remaining problem is bound up in one word—Commerce ; the interchange of thought and knowledge through the press and the post, and the interchange of commodities by trade. And commerce is governed, as to its extent, mainly by price. So that whatever enhances the cost of the interchange, obstructs its flow and lessens its volume, and to the same degree diminishes its benefits.

To obstruct the free flow of knowledge from country to country intentionally, through fear of social or political danger from the larger accessions of knowledge, is a barbarism no longer to be apprehended.

In a popular government, such as each country enjoys, intelligence is universally recognised as the safeguard of liberty. Everything which cheapens the cost of paper and books and newspapers, favors the diffusion of knowledge, and everything that enhances their cost is to be looked upon as an obstruction to this great object. To impose a tax on books and paper, either for revenue or for the protection of material interests, is to increase the cost of the diffusion of knowledge, and thus to sacrifice the greater good to the less.

To subordinate the intellectual and moral interests of a great people—of two peoples—to the needs or the greeds of a small class, is so unstatesmanlike, that it must surely give way before an enlightened public opinion the moment the subject is fairly understood. The interchange of thought and knowledge ought to be as free and universal between the two countries as between two counties of the same country. Let people weigh the principles and compare the ideas of each until all their joint stock of knowledge and literature shall become the common property of both, and until that alone shall be accepted as true which can stand the unrestricted scrutiny of all. When the people of these two nations shall all read freely the same books, and when the audience of both English and American authors shall be the whole English-speaking public throughout the world, the petty jealousies, the trivial misapprehensions, the unhappy distrusts, which dishonor the intelligence of the age, will be known no more ; and the two nations will necessarily think alike precisely in proportion as they think justly.

INTERNATIONAL COPYRIGHT.

The proposed international copyright has an important bearing in this connection. The object of this copyright is to give to the authors of books, or their assigns, the exclusive right of publication in both countries, in order to keep up the price in both. That this enhancement of the price in one country of books produced in the other, will have a tendency to limit the mutual circulation of current literature, will not be questioned.

Whether the proper encouragement of authors requires this to be done, is the point which the two governments should first settle. Copyright does not exist except as created by law; for it begins only when the steps are taken which the law prescribes, and it continues only so long as the law extends it. There is, therefore, no natural right involved; a man's thoughts are his own only so long as he keeps them to himself; when he has uttered them they become the thoughts of all who receive them, and who thenceforth use them at pleasure. The title of a thought by original invention is no better than the title to an asteroid by original discovery. The clothing of a man's thoughts in language no more entitles him to their exclusive publication, after they are gone forth to the public, than a man's careful study of the clothing of his person entitles him to forbid the imitation of his garb and gait as he walks the streets. The law creates copyright on the assumption that the public good will be promoted by the encouragement thus granted to authors to publish their works. The same law limits copyright as to its duration and extent, because the public good forbids the existence of a power to perpetuate the high price of books. What a drawback it would have been upon the circulation and influence of English literature, if the law had invested the heirs of Shakespeare, of Bacon, of Milton, with a perpetual copyright in their immortal work! The only proper question in the case relates to the sufficiency of the present encouragement to authors, by the exclusive possession of such a market for their books as is afforded by either one of these two nations. It is only a good book, in the intellectual sense, that deserves encouragement from the government. And it is only a good book, in the commercial sense, that is capable of being benefited by copyright. A very large majority of the books that are published never sell at all beyond the first edition; and the exclusive benefit of the first edition is in most cases sufficiently secured by priority in the market.

Of the comparatively small number of books in either country which run through many editions, the product of money to their authors is now extremely liberal. Many of the makers of such books are able to

live in handsome independence on the fruits of their labors, such as is rarely attained by those of equal ability either in the professions or in the public service. These high literary prizes are already a strong inducement to others to try their fortune in the field of literary adventure, as is seen by the multitude of books which fall still-born from the press, because they do not possess the qualities for which the people purchase books.

It can hardly be maintained that authorship, considered either as an industry or as an intellectual profession, is not as well protected and encouraged in proportion to the usefulness of its products, as any other human pursuit. The pecuniary return realized from their publication is neither the only nor chief encouragement by which authors of merit are induced to publish their works. The good they may do to mankind the reputation they may acquire, and the satisfaction of seeing their thoughts widely diffused and received, and make a part of the mental wealth of their country and age, outweigh a thousandfold, to an enlarged and generous mind, the value of the material silver and gold yielded by their copyright. And it cannot be doubted that these higher returns, are directly increased by the freedom of publication unrestricted by copyright; because cheapness of price, and variety in the forms of publication, are prime elements in the widest circulation of books.

The reputation gained by Dickens and Thackeray and Tennyson, by the boundless circulation of their books in America, has powerfully reacted upon their position in their own country, in ways which no amount of money received for copyright could ever have equalled. The same is true of many American authors, whose standing and satisfaction are mightily enhanced by the circulation of their works in England, solely through the freedom of the reprint. It is impossible to exaggerate the value of this international exchange of ideas through the medium of books, as a means of that general assimilation of thought and life, which is the highest guaranty of political and commercial intercourse and permanent friendship between the two countries. While each nation, for the most part, buries its own literary trash, and each retains the exclusive circulation of books adapted specially to its own use, the whole volume of the best thoughts of one country have now their widest diffusion through their freedom of publication in the other. And as this goes on from age to age, always increasing as it advances, the minds of both nations will come to be fed chiefly upon the same food, until they grow alike in all the great qualities of national life.

CHEAP POSTAGE.

The two countries have a valuable modern experience as to the influ-

ence of cheap postage, in hastening the process of assimilation among a people, as well as in greatly promoting the general advancement of civilization. And yet neither government appears to have entertained the idea of extending the application of the same principles to ocean postage. It has happened, unfortunately, for reasons not necessary to be now considered, that the government of the United States, in cheapening their rates of inland postage, have never hit upon a complete system. Having established a rate higher by fifty per cent than the English postage, they have been compelled to admit a number of variations for special classes which destroyed the uniformity of rate and the simplicity in the details of arrangement, so essential to the success of cheap postage. Until it shall adopt the fundamental principles of uniformity in rate, simplicity in arrangement, and beneficence in spirit, its attempts at reform in ocean postage would fail of the success which a better system would surely attain. The English system of cheap postage, on the other hand, came full-orbed from the brain of Sir Rowland Hill; purely scientific in its principles, complete in its details, beneficent in its plans and successful in its operations.

It is, beyond a question, the most perfect piece of government machinery that ever was invented. It presents the government to the people, in daily contact with their business and their happiness, but always in the aspect of a benefactor, giving benefits of inestimable value and exacting but a penny in return.

An English statesman, not now living, Mr. Richard Cobden, in conversation with the writer in 1843, bore the strongest testimony in its favor, in the opinion expressed, that the introduction of cheap postage had rendered a violent revolution for the overthrow of the government in England forever impracticable.

By the facilities which it affords for bringing the people all over the country, and of all classes, into mutual acquaintance and sympathy, and into the knowledge of each other's wants and wishes and plans, it lends such unity and force to public opinion that all needed reforms can be effected, one after another, by the demonstrated will of the people, without violence or revolution. A quarter of a century has passed, and he has not yet proved a false prophet.

It is a curious phenomenon in political philosophy, that in thirty years which have passed since the publication of Sir Rowland Hill's pamphlet, and with all the experience by which his method has shown itself to be as perfect in operation as it is scientific in theory, no attempt has yet been made to apply its beneficent and irrefragable principles to the postage of letters sent by sea. There is no reason in the nature of the two services why the same method should not be adopted at sea as

on land, and with the same satisfactory results—all good and no evil.

The cost of transportation of letters, which suggests itself at first blush as the great obstacle to cheap postage, was demonstrated by Sir Rowland Hill to be a mere insignificant portion, two-ninths of a farthing for a single letter, too small to be stated in money. And even this, it was shown, would be diminished in inverse proportion as the number of letters was increased. The cost to the government arises from other sources, which he classed together as "Management." And this cost of management is chiefly in sending, running and receiving the mails, and is therefore nearly independent of the number of letters. Consequently, the cost is increased in only a very small proportion as the number of letters is increased.

Hence it is that the net income of the constantly increasing gross amount of British postage has constantly advanced until it has surpassed the expenditure of the Post Office, so that the actual cost to the government of letter postage in Great Britain is now less than a half-penny. Why should not the management be just as simple, and the transportation just as cheap, by sea as on land? The freight of a barrel of flour from New York to Liverpool costs from two to four shillings sterling, that is, from half a dollar to one dollar in American money. Its weight is two hundred pounds, equal to six thousand four hundred half-ounce letters, the postage on which, at a penny, would be £36 18s. The actual contrast is still more striking, by the fact that the average weight of single letters is less than a quarter of an ounce; so that the barrel of flour weighs as much as 12,800 letters, the postage of which would be about fifty pounds sterling. We may make all reasonable allowance for the bulkiness of letters, as compared with barrels of flour, but if we reckon them as "measurement goods," the actual cost of the transportation of a single letter will not exceed one third of a mill, or about sixty-four thousandths of a farthing. The mails at sea would be much less exposed to injury or depredation than on land, and the whole management is more simple and less expensive. If either government finds it expedient, for reasons of its own, to subsidize lines of mail steamers with large gifts of money for carrying the mails, those reasons are governmental in their nature rather than postal, and this expense is not properly charged to letter postage. As far as postage proper is concerned, there is nothing to hinder the placing of the ocean mails upon precisely the same footing with the inland mails. As the United States have now no steamers plying between the two countries, the whole matter rests at present with the government of Great Britain. And the reasons which prevent its adoption will be such as influence the determination of that government alone. That a twopenny postage

between the two countries would produce a prodigious increase of correspondence, is as certain as that such an increase of correspondence would deepen the currents of mutual sympathy and friendship between the two peoples. It is hardly too much to predict that the same cause—cheap postage—which is supposed to have rendered a bloody revolution in England impossible, would be likely, if continued for a generation, to render a bloody war between the two nations unimaginable. Those only who deprecate the mutual assimilation which unrestricted intercourse will produce, will resist the introduction of such an arrangement of intercourse as would be fruitful only of good to both peoples, and fraught with immeasurable incidental benefits to our common humanity.

COMMERCIAL RELATIONS OF NATIONS.

But the greatest civilizer and assimilator of nations is Commerce.

By the very structure of the world, by the unchangeable conformations of continents and seas, by the diversities of soil and climate and production, and by the inherent distinctions among men in regard to their preferences and capacities, the Creator has clearly manifested his design that the human race should depend upon the mutual exchange of commodities for its highest gratifications and developments. It is only in quite modern times that commerce has begun to produce its highest benefits; and even now its capability of promoting the welfare of mankind is only partially displayed. In proportion as religion has softened the rugged features of society, and thus allowed the dictates of humanity a wider scope and greater influence, commerce has at once grown more free, and at the same time has regulated itself more by the rules of reciprocal justice. Science, also, has analyzed its principles, and given to it the guidance of intelligent reason. From the days of Adam Smith, philosophers at least have understood that trade is by its very nature an interchange of benefits. Each party gives that which he values less, and receives in exchange that which he values more, and thus both are enriched by the process. Without trade there could be no riches. A man might dig diamonds from a mine, and if he could not sell them he would starve in poverty. A community may fill itself to overflowing with its own productions, and yet remain poor and barbarous as to the blessings which wealth confers, until it opens its doors to exchange the hitherto worthless contents of its storehouses for the precious products of other climes. As all such interchange is voluntary, it follows that freedom is an essential element of success. Trade is trade only so far as it is free, because the choice of the will is only choice so long as it is free.

The interferences of power to restrict trade are, like the interpositions of force in opposition to free will, mechanical and obstructive in their nature and oppressive in their operation, except where justified by some higher extraneous reason. From the days of the old Romans, who used the same word to designate an enemy and a stranger, it seems to have been a prevalent idea in Europe that hostility was the most essential element of national life, and that nations existed chiefly to distrust and depress, or to injure and destroy other nations. It seemed to be accepted as a fundamental axiom of statesmanship that no nation could enrich and elevate itself but at the expense of its neighbors. The nearest countries as to locality were regarded as most essentially and constantly "natural enemies." The sorrowful poet Cowper wrote truth as well as poetry when he sung :

"Lands intersected by a narrow frith
Abhor each other. Mountains interposed
Make enemies of nations, who had else,
Like kindred drops, been mingled into one."

The concurrent growth of commerce and civilization in the fourscore years that have elapsed shows that the poet was also a prophet, when he speaks of commerce as a necessary remedy :

"Sure there is need of social intercourse,
Benevolence and peace, and mutual aid,
Between the nations, in a world that seems
To toll the death-bell of its own decease,
And by the voice of all its elements
To preach the general doom."

In the face of the vast and ruinous military preparations of most of the countries in Europe, and the failure of all negotiations for disarmament, it is yet an unquestionable fact that the political and commercial relations of these countries to each other have been wonderfully ameliorated, and that the increase of commerce among them is at once a principal cause and an accurate measure of this great improvement. Commerce, in proportion as it has become more free, has extended itself more and more widely, and everywhere encouraged a more varied and productive ministry, which in its turn furnishes more abundant material for the operations of commerce, until the conviction has become general among civilized nations that the trade of a country in peace is worth more than its spoils in war. And even in cases where the arbitrament of war cannot be avoided, although the improvements in the military art make war appear more terrific in its display, so great is the supporting and healing efficacy of modern commerce, that nations suffer less and recover more quickly under the inflictions of war than they did a hundred years ago.

In the former ages, the right of trade was regarded as a privilege, to be conceded as a boon, or prohibited as a penalty; granted with condescension, or refused in anger. As each nation believed that it could enrich itself by trade only through the impoverishment of its neighbor, and could enrich its neighbor by trade only in proportion as it impoverished itself, the regulation of international commerce became a subject of the profoundest study of statesmen and scholars, endeavoring to discover in what way a government could most advance the interests of one country, while conferring the smallest benefits or inflicting the greatest injury upon another.

PROTECTIVE DUTIES.

Like all the struggles against the beneficent laws of social life established by the Creator, these narrow schemes perpetually frustrated themselves. And wherever they were reciprocally pursued, their results of mutual impoverishment or open hostility showed that restrictions upon trade are in their nature identical with war, which is only a trial between nations to see which can do the other most harm. As the commerce between neighboring nations increased, it was found out, especially by English statesmen, that the same policy of commercial restriction through the taxing of foreign products, which had been originally introduced for purposes of hostility or national rivalry, could be made to subserve the further object of encouraging the production of articles at home, which would otherwise be imported from abroad.

Hence productive duties on foreign products came to be employed as a substitute for governmental bounties on home products, as a means of promoting that diversity of industrial pursuits which is so necessary an ingredient to national prosperity.

The protective policy is essentially of British origin, or, at least, has been followed out by the British government, until a recent period, in the most comprehensive manner. The operation of the protective policy is to help domestic industry by making foreign products dear, while the bounty policy aims at the same result by making domestic products cheap.

The one aims at high prices, the other at low prices. The fact was lost sight of, that the artificial raising of prices, if long continued, inevitably spreads itself over all branches of industry, enhances the cost of living and the wages of labor, and thus neutralizes its effect. This compels a further advance of protective duties, issuing again in a similar equilibrium of prices, calling for further imposts.

The great increase and diffusion of wealth in modern commercial nations permitted this policy to be pursued for a long time, notwith-

standing its obvious tendency everywhere to make the poor poorer, while it made the rich richer. But there must come a limit beyond which the alternate elevation of the wages of labor and the cost of subsistence cannot be extended, and then the protective policy breaks down, and must be laid aside. And with this comes in the practical adoption of the true economical philosophy, that the interests of nations are mutual and not antagonistic, which teaches that each one grows in wealth by the advance of its neighbor; that the impoverishment of a nation destroys the value of its trade, and thus impairs the prosperity of its neighbors; that the highest possible prosperity of a country depends upon the greatest possible extension of its commerce, which is best promoted by the utmost degree of freedom in trade: and that the diversification of productive industries rests on the surest foundations when allowed its natural growth, under the influence of increasing commerce, advancing intelligence, unlimited freedom of labor, and the highest assurance of the enjoyment of its products. And this is also demonstrating in practice, that the continuance of the *entente cordiale* between nations long supposed to be necessary rivals, if not our natural enemies, is most sure to be permanent when it is upheld by the freest interchange of their respective products.

All Europe is now falling gradually into this new system of policy, the nations most advanced in freedom and intelligence take the lead. The government of the United States still adheres to the protective policy, in all its bearings, and proportions, with the utmost tenacity, and is thus far supported by the apparent consent of the great body of the people of that country. The fact is certain, and if fully examined is less to be wondered at than regretted. That a body of English emigrants, going to found an English colony, having English laws and habits, and carrying with them only English ideas and literature, should, on setting up for themselves, fall spontaneously into the adoption of English methods of policy in regard to most things not actually involved in the process of separation, would be anticipated as philosophically as it has been realized historically.

Mr. Alexander Hamilton, the first Secretary of the Treasury of the United States under the Constitution, in his first report on finance, proposed the encouragement of domestic manufactures as one of the leading objects to be aimed at in legislation. And the first Congress of the present government incorporated this idea by express words in its first act laying duties on foreign goods. By the greater number of American statesmen and financiers this idea has been received, without a serious question of its soundness, to this day. In all the incessant fluctuations of the tariff, the changes have been only in degree and not in principle.

In all the strifes of parties they have started with the common axiom of "duties for revenue, with incidental protection." Of late a few extremists have almost ventured to proclaim the doctrine that duties ought to be laid with reference to protection chiefly, even if their effect should be a diminution of revenue.

Their plain utterance would be, "Duties for protection, with incidental revenue."

It is safe to say that the system has reached its acme in the United States, and that any future changes in the tariff will be in the other direction. The need of revenue to meet the exigencies of the public debt, the general embarrassment arising from the continuance of exorbitant prices, the vigor with which the true principles of political economy are now urged upon the public mind, and the obvious interest of the country in the restoration and expansion of its commerce, cannot but extend the conviction, already adopted by large numbers of the ablest thinkers and most learned scholars of the country, that the protective policy has already been carried too far, and that the future prosperity of the people depends now upon a rapid change towards the policy of free trade. The common sophistries by which the protective policy justifies itself are only the gloss by which it is apologized for and made presentable in the arena of public opinion. A more careful examination of the facts will show that its vital principle is to be found in the idea of national antagonism which is discussed in the preceding paragraphs. No current argument in its favor would be considered complete, no popular presentation of it would be [found persuasive enough to satisfy the body of the American people, unless it was vitalized with the idea that it is both necessary and right to protect the laboring classes of the country against the ruinous competition of "the pauper labor of Europe."

That is the opprobrious term employed by the protectionist press of America to describe the industrial classes of the parent countries of their own population. But the laboring classes in America are already beginning to see that they have only a choice of competitions; for the facilities of crossing the ocean are now such, that the laboring classes of both Europe and Asia can easily transfer the field of competition to the American soil, so that all they can gain by their protective tariff, if it is continued a length of time, is the privilege of paying exorbitant prices for their subsistence, while the capitalist gets the lion's share of the benefits.

But the selfish expectation of building up their own manufacturing interests by destroying those of their European neighbors, with the satisfaction of pampering their own laborers by starving their kindred

in Europe, is still insufficient to give political popularity to the protective system, such as will secure its permanent continuance. The appeal is made to what is supposed, by superficial thinkers, to be the overmastering passion of the American people, by holding forth the protective policy as a weapon of special power to injure the British nation. The supposed traditional hatred of England, handed down from the American revolution, is chafed and exasperated by representations designed to create the belief that the British commercial policy is always governed by the single aim to destroy American manufactures.

And no man of prominence in America can support even a partial relaxation of the rigors of protection, without bringing upon himself the stigma of being a partisan, and probably a pensioner, of "British free trade." The persistence and vehemence with which these representations are urged, attest the consciousness of the protection advocates that their cause cannot be maintained among their own people, unless the belief is propagated that high duties are a weapon of special force to injure Great Britain. If the tariff would inflict serious injury only upon Germany, the German citizens have already too much political influence to allow hatred of Germany to be aroused and appealed to in favor of any measure of policy in America. If it were only France that was concerned, no American statesman would venture to propose the infliction of injury upon France in face of the strong national sympathies with France which have come down from the days of Independence. The protective policy cannot stand in America, by the admission of its advocates, except as it is deemed an expression of hostility against England. But for these representations it would begin to be abandoned before the close of the present administration. So long as it is continued it will remain an expression of unabated and unalterable hostility, in the face of which it is in vain to expect any considerable amelioration in the political and commercial relations of the two countries.

The circle of topics belonging to this discussion, cannot be complete without a reference to the Dominion of Canada, in its bearing upon the relations between the two countries. It is impossible to wink out of view the fact that the present value of this possession, in the eyes of the British nation, has reference chiefly to the contingency of war with the United States. Since the adoption of free trade, the value of such a territory for its trade depends upon the condition of the people, and not at all on their political relations. The possession or the abandonment of Canada can have no perceivable bearing upon the relations between Great Britain and any European nation, unless it might possibly, in some contingency, become a means of involving the United States in some entangling alliance with a European power at war with England.

THE UNITED STATES AND BRITISH AMERICA.

In a strictly military point of view, looking either to an American or European war, Canada is rather a source of weakness than a tower of strength against any power having both an army and a navy. It would be a prominent point of attack, while the highest British military authorities pronounce it incapable of a prolonged defence. If we study carefully the utterances of British statesmen and authors, we are struck with the constant outcropping of the idea that Canada is to be held, cherished, improved, strengthened, fortified, as a make-weight against the United States. The recent confederation of the provinces was urged upon them by the Imperial government as an imperial measure, and for imperial objects, rather than for any benefit it would be to the people of the colonies. Every influence which the home government could employ was put in requisition, and brought to bear upon the provincial leaders before the final consent could be obtained to the union. A powerful party in the Dominion already sees with pain that it is a great injury to their future prospects to be thus held in a position where they are expected to feel the heaviest of the blows, in a possible war in which they have no concern. The proposed railway between Quebec and Halifax, the funds for which were held up as one of the chief inducements for confederation, is now laid down by a route running quite away from the population, for governmental reasons only, having reference to no necessity but that arising from hostilities with the United States. Not for commercial, but military, reasons they are called upon to build a railway through a cold and sterile region, which will probably be among the last in the world to become populous and productive. It is not for defence, but offence, that the aggrandizement of Canada is cherished. England is not more secure from invasion by the forts in Canada. As a bulwark against invasion from America Canada is worthless. It is only valuable as a sally-port for invasion of America by British troops, gathered and marshalled in Canada, to fight the battles of Great Britain upon the soil of the United States. If Canada were held and managed as it is, mainly for the benefit of its trade, the Dominion would not be allowed to adopt the American system of protective duties against British products, but would be brought at once within the blessings of free trade. Its value in this regard is that of a standing menace towards the United States. It is as if a man were standing with a brandished club at the gate, while inviting you to become sociable and friendly, thus showing himself ready to break your head at a moment's notice if you disoblige him. In all this the colonies are wholly passive. They are held as a convenience for the uses of the mother country. Their sentiments or their interests are alike immaterial

to the result. Be they ever so hostile, they can do no act and pursue no policy on their own account. Be they ever so friendly, they cannot help being held up as a standing menace against the United States.

It is impossible that amicable relations should be perfect between neighbors, when one keeps dogs and guns in constant display against the other. This would be true were defence alone the avowed object of the army; still more where the object is coercion and intimidation by the threat of invasion or injury. It is only the slightness of the apprehension of peril from this source that renders the American people so indifferent to all these hostile demonstrations. It is evident, however, that this obstacle to national amity can only be removed by the adoption of a different policy, supported by different reasons, and having other tendencies than those of menace and hostility. What that policy should be is not within the scope of the present inquiry. A single suggestion only will be ventured.

THE NORTH GERMAN UNION—ITS EFFECTS AND ITS MORAL.

All friends of freedom who have sprung from Teutonic stock, cherish a special solicitude for revival of civil liberty and its blessings in the "Fatherland" of Germany. Such a restoration long seemed to be an impossibility, through the division of the country into a large number of petty sovereignties, whose mutual rivalries and conflicts forbade the hope of speedy improvement. Nearly forty years ago, a German scholar and patriot, himself an exile for his love of liberty, Dr. Francis Lieber, now a learned and distinguished publicist in New York, wrote in the *Encyclopædia Americana*, of which he was the editor, this striking prediction:

It needs no prophetic eye to foresee that the time will come when Germany will sustain that struggle which England and France ended long ago; will become united and rest from the bloody conflicts in which, for centuries, Germans have slain Germans, and which have wasted their wealth, checked their industry, impeded their development of public law, and extinguished in their literature that manliness which is so strong a feature in that of a neighboring nation, partly descended from them—conflicts most fully exhibited in that heart-rending tragedy, the Thirty Years' War.

It may be asserted, without paradox, that union is at present more necessary for Germany than liberty; at least, give her the former, and the latter will soon follow." (Vol. v., p. 430. Philad. 1832.)

That which all the desolating German wars of all the centuries had not begun to produce, the unification of the German peoples into one body, has been reserved to be the triumph of freedom of commercial intercourse.

In the year 1807, after the disastrous campaigns of Ulm and Jena, by which Germany was almost subjugated to France, the statesmen of Prussia were aroused to the conviction that there was no way in which the nation could recover itself but by great improvements in the condition of the people. The first step was the abolition of the land monopoly of the nobles, so that the land could be owned by its cultivators. The next was the concession of local self-government to the towns. The result was seen when the body of the people turned out to drive the French invaders from their soil in 1813. During the financial exhaustion which followed these terrific struggles, the want of capital and labor prevented any great advance in manufacturing industry. But by 1818 the government became satisfied of the necessity of such a change of policy as would encourage manufactures, by freeing them as much as possible from all governmental burdens. They therefore at once reduced the customs duties to a mere revenue scale, in no case exceeding ten per cent. At the same time earnest overtures were made to all the independent Germanic powers for the establishment among themselves of a Zoll-Verein, or Customs Union, whereby absolute free trade should be established among all the states agreeing thereto. The bigotry and jealousy of the reigning houses, with other causes, made it nearly twenty years before so many powers had come into the Customs Union as would afford a fair trial of efficacy. But just in proportion as it went into operation prosperity followed in its train.

In 1858 the Zoll-Verein embraced above thirty-three millions of people. Each state effected its accession by the formality of a treaty, and not by act of legislation—showing that the mutual regulation or abolishment of customs is a legitimate subject of treaties between states jealous of their own sovereignty. By the fundamental rules of the Zoll-Verein, each state regulated the duties on its own frontiers, but no foreign product was to be prohibited, and no duties were to be levied above the original Prussian standard of 1818; that is ten per cent *ad valorem*, but the free list might be extended at pleasure. In fact, nearly all raw materials of manufactures were free. The product of the customs went into a common fund, and were distributed among the states according to population. The aggregate of imports of the Zoll-Verein increased from one hundred and thirty-seven million thalers in 1837, to two hundred and eight millions in 1853, and three hundred and fifty-four millions in 1857. The home product of iron increased from three millions seven hundred thousand cwt. in 1850, to ten million cwt. in 1858; while the importation of iron increased, at the same time from two and a half million cwt. in 1850, to six and a half millions in 1858. Both these advances illustrate the financial improvement of the Union, and show at once the effect of a

low revenue rate of duties of ten per cent on foreign imports, and of the perfect freedom of trade between the parties to the compact. And now in 1868, German unity, the cynosure of German liberty, is on the point of a complete consummation, to the great rejoicing of all the Teutonic races and peoples, and the great advancement of general peace and civilization. *Laus Deo !**

These great and beneficent results of a system of measure so simple and unexceptionable, prompt the inquiry, how far an arrangement of somewhat similar character may ultimately be found both advantageous and practicable between the three great English-speaking countries, Great Britain, the United States of America, and the Dominion of Canada! An Anglo-Saxon Customs Union! Perfect freedom of trade and exchange between the three countries, such as now exists between the counties of England, between the States of America, and between the provinces of Canada! How many difficult problems it would settle! How many causes of jealousy it would remove! How many bonds of sympathy it would create and strengthen! What causes (commercial or political) would be likely to renew hostilities between these countries for hundreds of years to come? It is not to be supposed that two countries, however well disposed, with an ocean between them, would pattern their Customs Union precisely after that adopted by the German states, adjacent to each other. Let the details be adjusted by those who shall be called to settle the terms of the agreement. Where there is a will there is a way.

THE PRESENT AND FUTURE OF GREAT BRITAIN AND THE UNITED STATES

The present time seems eminently propitious for the discussion of the question proposed by the Cobden Club: "On the best way of developing improved political and commercial relations between Great Britain and the United States of America." Both countries are just about taking a fresh departure in the career of their national history. In England the great question of parliamentary reform, which has been the bugbear of politicians for a generation, has been settled with only the bustle and excitement of an ordinary change of administration.

The cry of "Finality," with which the leaders of the Reform of 1832 sought to cover their own cowardice, or calm the fears of the country squires against any further concession to popular rights, has yielded at last to the dictates of reason. The teachings of all human experience show that finality is an attribute only of the works of God, and that

* It is a noticeable circumstance, in illustrating the sophistries by which the protective policy is supported in America, that Mr Henry C. Carey, of Philadelphia, the greatest living authority in favor of that policy, in his latest publication adduces the Prussian tariff of 1816, and the success of the Zoll-Verein, as a brilliant example of the blessings conferred by protection in contrast with free trade!—*Washington Republican*, November 20, 1868.

change is the essential condition of all human processes and institutions. So long as there is anything new to be learned, or anything in the present to be made better, there must be a change. The fear of the "Americanization of British institutions," which was the last resort the opponents of progress, has already gone to take its place with the tears of Guy Fawkes and the Pretender.* Hereafter the whole body of the people are to find themselves, not arrayed in two hostile ranks, each seeking, at the expense of the common welfare, to aggrandize and protect itself by depressing the other, but as a homogeneous mass of fellow-patriots, all bound together by a community of interests and responsibilities, and all working for the common end, by doing all in their power to elevate their country, by improving the condition of every person in it. In this career of national growth and glory, unparalleled in history, there is not a generous heart in America that will not bid the grand old mother country a hearty "God speed you," without a single jealous reserve, or one misgiving fear.

In like manner, in the United States, the great evil of slavery, heretofore regarded by the whole British nation, with rare exceptions, as the rock upon which the American Union would one day be broken to pieces, has disappeared as absolutely as if the earth had opened and swallowed it down deep in the abyss, closing over its sudden grave, so that it can never reappear. Instead of wrecking the Union, the whole excitement connected with the overthrow of slavery and the suppression of the largest rebellion that ever was suppressed, has not effected even a change of administration. Some financial embarrassments and irregularities, a great exhaustion at the South, are symptoms of the passing away of a great convulsion; but the onward progress of the United States in that which chiefly concerns the greatness and glory of a nation, has never been suspended for a moment, and is now in many respects more brilliant than ever before.

Thus the predictions of the prophets of evil in either country, regarding the other or itself, have wholly failed, and the two nations are now at liberty to cherish the highest sentiments of mutual respect and admiration, without a single drawback. It is a happy omen for the future, that as both nations are free themselves, and the friends of freedom everywhere, so the increase of friendly relations between them depends mainly upon the increase of freedom in their mutual intercourse.

The question raised by the Cobden Club is that on which the future of the two countries mainly depends. Every measure and every feeling that tends to improve their mutual relations, tends equally to the most

* Mr. Robert Lowe, in giving thanks for his late election to Parliament by the London University, used these remarkable words: "Perhaps the best thing is to look at America, not as a warning to deter, but an example to imitate."

substantial advantage of the country that shall adopt it. The two countries are so much alike in so many particulars of character and circumstances, that they cannot but grow more and more alike, and more and more attached to each other, if progress is permitted in that direction. At the same time the two are so different in so many respects, that it will be possible enough for them to grow more and more estranged and embittered, until in a course of ages it will be hard to believe that they came of the same stock, and were once the same in language and religion, in laws and manners, as children of the same mothers, and heirs of the same fathers. It is impossible that their political and commercial relations shall remain as they are for a few generations to come. The beginning of the next century will show something of the huge proportions of the problem now under consideration. The generation of scholars, of statesman, of politicians, and men of business, now on the stage of action stand at the gate of this awful future. Impulses and directions now given to the course of affairs will bear fruit of good or evil, in proportions so gigantic as we who are now planting the seeds of things have never yet seen, and could not believe, though a man should tell us of them.

THE BANK OF ENGLAND RATE OF INTEREST.

The city article of the *London Times*, of the 7th instant, gives an explanation of the motives for the advancing of the bank rate to 4½ per cent, which has attracted much attention here, and has contributed to the rapid advance in the gold premium this week. The *Times* speaks with an air of positiveness which, whatever may have been its real occasion, is construed by many among us as warranting the supposition that its utterances are semi-official; and it is this inference alone which has given its statements any serious practical importance. The advance of the rate is attributed entirely to a desire on the part of the Bank directors to check the London speculation in American securities. Says the writer

Whether the advance of the Bank rate to 4½ per cent will create pressure and distrust sufficient to check the ardor of those who are placing their money on these securities, is the point to be solved. All that can be *positively known* is, that if 4½ per cent will not suffice *the movement will go on to the requisite point, whether that point be 5 per cent or 10 per cent.* We cannot keep up the New York inflation beyond a certain range any more than we could perpetuate the London inflation of 1866.

It is difficult to determine what reliance is to be placed upon these confident assertions, and whether what is said to be "positively known," represents official inspiration or private opinion. Judging, however, from the remarks of other London journals upon the *Times'* article, it would appear that its announcement was received with much local distrust. The

course of the Bank managers, since the advance of the 6th instant, has not been confirmatory of these vaticinations. The advance of the rate produced but a momentary pressure, which fell as heavily upon Consols and legitimate discounts as upon Five-Twenties; and considering the advance in gold, our bonds have since been more than steady at London, while probably not less than \$7,500,000 have been sent there and to Frankfort, within the last two weeks. Moreover, a prominent banking house has failed here, with important connections in London and on the Continent, a fact calculated to excite distrust in New York credits. These facts show conclusively that the first turn of the Bank screw has failed to effect the object attributed to it by the *Times*; and as two weeks have elapsed, with a continuance of the bond movement and yet without a second "twist," there is good reason for doubting the accuracy of its version of the policy of the Bank.

The directors of the Bank of England have a weak conception of their mission and power if they imagine that they can exercise any permanent control over the present investment demand for our securities. The demand has been stimulated by a real improvement in the credit of our Government; and it indicates that there is a surplus of capital in England which selects this as the most desirable form of investment. It may be true that more than the usual amount of Five-Twenties is now being "carried" by London bankers; but this is no more than naturally results from the enlarged legitimate inquiry, and cannot be an element of sufficient magnitude to threaten the equilibrium of the London money market. When the legitimate investment demand ceases, the distrusted speculation will decline. Moreover, in the matter of this class of securities, the London market always has a safety valve in the Continental markets, which are at all times ready to take them when the former is over supplied. The interference of the Bank might force a certain amount of Five-Twenties from London to Frankfort, to the loss of the Exchange and the gain of the Bourse; but, only for a moment, could it check the natural outflow of our securities, or the speculation naturally attendant thereon. We scarcely think the Bank managers need to be taught these elementary lessons; although their apparently too-ready spokesman of the *Times* may.

HORSE RAILROADS.

We have obtained the following returns of the various horse railroads in the State of New York, showing their condition at the close of 1868, and their receipts, etc., during that year.

Name of Road.	Cost of road & equipment, paid in.	Capital stock.	Total funded debt.	Total floating debt.	Length of road laid in miles.	Total of passengers carried in cars.	Payments for		Total receipts from passenger's receipts.	Total interest for	Pay-ments for dividends.	Total pay-ments.
							trans-fer to main-tenance & repairs.	passenger's receipts.				
Adelphi Ferry ..	\$120,413	\$38,900	\$40,000	\$6,000	5.50	\$391,840	\$42,048	\$35,799	\$14,911	\$2,930	\$...	\$14,989
Brooklyn Ferry ..	1,747,127	501,000	64,000	40,713	9.00	4,915,876	250,896	397,944	302,565	51,631	...	302,437
Brooklyn and Rockaway Beach ..	277,169	200,000	25,000	20,007	5.33	1,894,412	80,318	107,013	115,173	8,750	10,000	125,923
Brooklyn and Coney Island ..	522,594	2,100,000	1,600,000	...	6.00	11,077,614	473,738	642,337	624,653	113,410	...	671,705
Brooklyn City ..	175,838	40,000	40,000	7,538	7.00	131,937	25,900	24,64	24,571	...	...	25,000
Brooklyn City and Newtown ..	1,461,264	1,500,000	300,000	...	26.00	21,061,641	913,371	1,164,303	1,197,303	24,671	180,000	1,174,437
Brooklyn and Rockaway Beach ..	569,680	400,000	200,000	14,371	5.50	2,045,504	10,708	113,775	120,494	8,701	...	109,793
Brooklyn and Rockaway Beach ..	301,737	144,000	45,000	2,500	3.50	134,184	10,423	13,873	20,631	2,140	...	13,533
Brooklyn and Rockaway Beach ..	431,903	60,000	185,000	109,000	8.81	1,570,456	70,625	10,731	90,734	4,839	...	94,944
Bushwick ..	361,032	263,200	2,000	5,040	2.73	312,455	17,483	30,773	30,508	...	...	30,435
Central City ..	28,737	21,150	6,000	...	1.63	267,474	14,447	16,451	18,614	436	...	16,134
Central City and East River ..	1,027,920	1,025,200	620,000	33,644	21.00	8,322,676	494,170	499,750	512,032	39,760	...	538,540
Coney Island and Brooklyn ..	646,924	500,000	218,000	19,526	10.20	1,350,363	139,635	113,351	121,607	12,053	...	129,077
Dry Dock, E. Broadway & Battery ..	772,332	1,200,000	700,000	...	10.73	12,493,321	633,393	634,638	669,173	60,319	...	614,875
Eight Avenue ..	1,453,161	1,000,000	200,000	...	10.00	12,082,353	614,400	778,911	564,791	9,315	120,000	744,275
...	1,041,204	749,000	260,000	...	5.13	6,782,669	250,117	231,973	241,750	18,300	74,350	342,117
...	54,192	42,500	9,000	400	3.10	154,321	7,743	8,338	10,359	...	...	7,743
...	200,000	170,000	20,000	...	3.00	1,207,659	67,649	71,608	72,770	2,775	...	80,971
...	339,033	112,200	150,000	2,500	5.00	838,038	68,639	67,903	68,767	2,698	...	67,639
...	78,366	72,000	...	...	3.35	236,039	18,301	17,653	22,970	23	2,500	21,364
...	463,323	797,339	167,000	...	6.10	1,532,247	95,333	91,374	95,497	23	...	109,453
...	70,303	50,000	15,000	...	9.00	634,746	20,309	30,344	31,499	413	...	31,498
...	1,452,303	800,000	700,000	170,923	6.00	8,432,926	440,960	507,179	619,005	18,370	...	499,201
...	1,766,976	750,000	250,000	...	4.00	10,038,036	600,051	60,143	625,340	16,764	73,650	600,863
...	25,976	20,000	25,000	...	2.00	261,538	8,599	13,613	14,300	1,760	1,000	1,670
...	31,000	31,000	...	...	1.63	157,635	5,513	7,394	...	...	1,340	8,833
...	2,745,377	1,170,000	1,500,000	60,000	8.00	22,000,000	942,999	1,339,190	1,487,424	100,451	140,400	1,487,424
...	72,403	44,700	30,000	13,978	3.14	934,833	17,029	16,311	16,449	1,279	...	19,063
...	263,997	25,000	100,000	61,000	9.26	2,261,433	161,913	164,572	151,541	14,845	...	144,079
...	303,337	131,400	20,000	1,800	13.60	719,733	63,000	72,317	80,709	12,783	...	78,493
...	57,000	75,000	12,000	1,818	1.25	44,131	13,609	17,800	17,344	703	2,000	19,709
...	297,144	240,000	181,000	4,000	7.35	1,879,633	80,304	110,740	117,604	9,879	9,800	104,383

* Road sold on foreclosure of mortgage to C. Godfrey Gunther.

† Includes amount paid for Niagara St. Railroad.

‡ Formerly Ulster and Waterville.

ON THE AGRICULTURAL STATISTICS OF THE UNITED KINGDOM.

BY JAMES CAIRD, ESQ.

[Read before the Statistical Society, March, 1868.]

I.

I hold in my hand a little blue book which has cost the country ten thousand pounds, and yet it is one of the cheapest ever published at the public expense. It contains the agricultural returns of 1867, obtained from nearly five hundred thousand persons, on every farm, large and small, in Great Britain; and the more it is studied the more clearly will it show the immense value to the public of the facts which it embraces, and the brief yet perspicuous manner in which they are presented. The greatest credit is due to the departments through which they have been gathered—to the Inland Revenue, by whose organization this most extensive inquiry has been conducted, and to the statistical department of the Board of Trade, by whom the returns have been collated and elaborated.

Twenty years' experience has now been gained of free trade in corn. In that time we have imported nearly one hundred and twenty million quarters of wheat, which is a yearly average four times greater than that of the twenty preceding years. Since 1861, the annual imports of all kinds of corn have averaged three million tons in weight, equivalent to one voyage of the total tonnage of the United Kingdom employed in the foreign trade. The official value of these yearly imports has ranged during that short period between twenty and forty millions sterling. Of the whole corn of all kinds consumed in this country, we receive one-fourth from abroad, and for the great staple—the staff of life—wheat, we are dependent on the foreigner for one-third of our annual supply.

Returns which have given us a basis of certainty, upon which to compute our annual requirements, and to provide for them—and which will tend to prevent panic, and sudden and unnecessary fluctuations, in interests so vast and important—are indeed cheaply purchased by so small a cost. It will be my task in this paper to exhibit their general results, and to show some of the modes by which they may be used for the public advantage.

It may be interesting at this point to note in a single paragraph the principal changes which have taken place in English agriculture during the last three centuries. In the middle of the sixteenth century, beef and pork were sold at a halfpenny a pound, mutton and veal at a halfpenny half farthing. The preamble of the statute fixing these prices, states that these “four kinds of butchers' meat were the food of the poorer sort.”

But there was a scarcity of corn. Laws were therefore enacted against throwing the land into pasture. The number of sheep allowed to be kept by one farmer was restricted to 2,000. No corn was allowed to be exported. An acre of good land in Cambridgeshire was let at a shilling. A hundred years later there seems to have been a regular importation of foreign corn, it having been computed that £2,000,000 went out in one year to pay for it. The high price led to increased home production. Then began a new policy. Not only was the exportation of corn allowed, but it was stimulated by a bounty. A hundred years later, in 1753, corn riots disturbed the country, and continued during that and the following years, in consequence of the high price of corn, alleged to be caused by the bounty on its exportation. After that the country passed through a period of protection against foreign corn, and a stimulus was thus offered in a different direction to its home growth. When that policy finally disappeared in 1848, the great bulk of the people had ceased to know anything of butchers' meat, except as an occasional Sunday luxury. Now, after twenty years of free trade, clear of all stimulus of bounty or protection, the natural balance brings us round to a position in which every country, according to its own interests, has become tributary to us for the various supplies that we require; our own soil is applied to the production that each man finds most remunerative; and, participating in the general welfare, the great body of the people are able to share, not only in the bread, but in the meat from which their fathers for three generations were compelled to abstain.

The chief advantage of the returns is the certainty we have thereby obtained of the acreage of our various crops, and of the numbers of the different kinds of live stock. If we compare the facts now ascertained with the estimates most carefully prepared in 1853, by that eminent authority, the late Mr. McCulloch, we find a remarkable agreement in the total acreage of corn, but a great difference in two of the principal kinds. The wheat is nearly the same in both—3,640,000 in the returns, and 3,750,000 in the estimate. In barley there is an immense discrepancy, especially as regards England, where 2,000,000 acres are returned, and 1,000,000 estimated. For Scotland and Ireland the error is the other way, 388,000 acres being returned, and 750,000 estimated. In oats the discrepancy is about 1,000,000 acres, much of which can be accounted for by the ascertained diminution which has taken place since 1853, the date of the estimate. And, in regard to barley, there cannot be a doubt that a great increase since that time has been made to the acreage, from the gradually rising proportion which of late years the price of barley has borne to wheat.

I cannot leave this part of the subject without recording my admiration

Nothing like the same accuracy is to be found in some of the estimates of live stock. In 1836, the number of cattle in the United Kingdom was estimated by one writer, quoted by a leading agricultural authority, at 15,400,000. The actual numbers now are found to be 8,700,000. The sheep in Great Britain were estimated at 48,000,000; the actual numbers are 28,000,000. The pigs were estimated at 18,000,000; the actual numbers are 4,000,000. In number and value that great branch of our national property, the live stock, seems thus to have been estimated at 100 per cent more than really existed!

The changes that have taken place in Scotland and Ireland during the last ten years are shown in the returns, and are very considerable, the acreage of wheat having dropped one-half in that period. The loss of wheat in Scotland has been recovered by a nearly equal increase in barley and oats, but in Ireland there has been a loss also in each of these crops of about a sixth. It is nearly compensated by a gain, during the same period, of 120 000 cattle, 1,000,000 sheep, and 278,000 pigs. The most striking change recorded is seen by the Irish returns—conducted so ably for more than twenty years by the registrar general, Mr. Donnelly—which show in the following figures the production of corn and potatoes :

		Corn. Qrs.	Potatoes Tons.
1857.	Total estimated yield.	11,500,000	3,500,000
1856.	" " "	8,800,000	3,000,000

These ten years mark a great change in the husbandry of Ireland, the production of corn having fallen nearly one-fourth, while that of potatoes has declined one-seventh. That a change in the same direction in regard to corn has been going on in England, I have no doubt, though not to anything like the same extent. But the rapidity and magnitude of the changes which are now known to have taken place in the breadth of corn land, in Ireland and Scotland, are most convincing proofs of the public advantage of annual returns for the whole kingdom.

II.

The acreage having been obtained, the first step, in reckoning the produce of the crop, is to find the yield per acre of an average of years, and the influence of seasons on the yield of each year. I here confine myself to the yield of wheat, which is the staple bread corn of the country.

No one can have studied this subject without being impressed with the great care bestowed on the question by Mr. Jacob, Mr. Tooke, Mr. New-

march, and Mr. McCulloch. When, therefore, in putting forth an estimate of our crops in 1851, I felt myself obliged to differ from these very eminent authorities, I ventured to do so only from the conviction that the extent of my own inquiries, as *Times'* commissioner, in nearly every county in England, had given me a command of facts not before accessible. Thirty to thirty-two bushels of wheat an acre had been accepted as the average produce of this country. The facts I had ascertained led me to fix it, in 1850, at not more than $26\frac{1}{2}$,—and, notwithstanding the improvements which in the last 18 years have been made, I do not believe that the average yield of England, at this time, exceeds 28 bushels.

After a certain point is reached, the progress of average yield per acre, is very low. Arthur Young, in 1770, summed up the result of his inquiries at an average of 23 bushels an acre. In 1850 mine gave $26\frac{1}{2}$, the whole increase in 80 years being thus only $3\frac{1}{2}$ bushels. Careful inquiry and observation lead me to the conclusion that, in the 18 years which have since elapsed, it would not be safe to take credit for an increase greater than $1\frac{1}{2}$ bushel, and even that is nearly twice the rate of progress of the preceding 80 years. We must not forget that a large portion of the wheat land of England is clay of moderate quality, as is proved by the fact that there are still 1,000,000 acres every year in bare fallow. The average produce of wheat in Ireland during the last 20 years, has been found to be a little under 24 bushels. But even this is higher than that of any of our European neighbors, and 50 per cent above the average of France. Taking the proportion of acreage in England and Ireland, I find 27 bushels to be the average yield of the United Kingdom.

The influence of seasons on the yield is the next step to be considered. Its magnitude and effects are very easily illustrated. Of the last 20 years, 1854 and 1863 were the most prolific seasons; 1853 and 1867 the worst. The difference in weight and yield of wheat in 1863 and 1867, was equal to 14 bushels an acre; 1863 having been $8\frac{1}{2}$ bushels above the average; and 1867 $5\frac{1}{2}$ below it. The result is as follows:

Cost of wheat and flour, 1863.....	£40,000,000	£.... ..
Of which paid for foreign corn.....	.....	6,100,000
Cost of wheat and flour, 1867.....	70 000,000	.....
Of which paid for foreign corn.....	.....	33,500,000
Difference caused by bad season.....	£30,000,000	£27,400,000

Not only is the price augmented to the consumer by the whole amount of this loss, but nearly the whole of it goes out of the country. There are many here more competent than I to reckon its influence on trade and commerce; and to estimate the value of being early forewarned, that £30,000,000 more will be required in a given year to pay for the bread

corn of the people, and 27,000,000 more gold be exported in its purchase from abroad.

I have framed the following table, showing the fluctuations of the seasons, and their effect on the yield of wheat in the last 20 years, on the basis of the experiments of Mr. Lawes, in Hertfordshire, which have proved a very satisfactory index of the general yield over the chief wheat producing area of the kingdom, and are indeed the most instructive series of facts for the guidance of the British corn-grower on record.

Yield in Bushels Minus or Plus the Average.		Yield in Bushels Minus or Plus the Average.	
First Cycle of Six Years—		1858... ..	+ 6
1843... ..	— 9%	1859... ..	average
1849... ..	— 1	Third Cycle of Six Years—	
1850... ..	— 5	1860... ..	— 3
1851... ..	— 3	1861... ..	— 1
1852... ..	— 7	1862... ..	+ 5
1853... ..	— 16	1863... ..	+ 12½
Second Cycle of Six Years—		1864... ..	+ 7½
1854... ..	+ 9	1865... ..	+ 4
1855... ..	+ 1	Fourth Cycle—Commencement of—	
1856... ..	+ 1	1866... ..	— 3
1857... ..	+ 7½	1867... ..	— 6

A careful consideration of these figures will bring out many points of interest affecting the revenue and wealth of the country, and the comfort of the people. For it is well that we should remember that every requisite of food or clothing is an annual product of the earth, yielded, no doubt, to a large degree, in proportion to the ingenuity and industry employed on it by man. But when man has done his utmost, the result is determined by influences beyond his control. In the literal words of the apostle, Paul may plant and Apollos water, but God giveth the increase. Of those substances on which life and health, day by day, depend, there is every year a new production. There is not a single article of food and clothing that is not, directly or indirectly, of vegetable growth; not accumulated and stored away in the bowels of the earth like our mineral wealth, but dependent, year by year, on the sun and rain in due season. If we draw a line in the column, beginning with 1854 and ending with 1865, we shall find the remarkable fact, that in those 12 years there were 10 good harvests in England, and only two below an average. This covered the whole period of Lord Palmerston's successful administration. During these 12 years we had to bear the burden of the Crimean war, followed by the Indian mutiny, and the increased military expenditure begun in 1860. From 1855 to the last year, our annual expenditure has averaged £67,000,000 as against the £50,000,000 of preceding years, and during that period there has been an actual diminution of taxation of from £5,000,000 to £6,000,000, with no increase in the national debt. Can it be doubted that such a run of propitious seasons aided the gifted minister who conducted the finances of this country

to meet successfully our vast expenditure, not only without serious pressure on the people, but with largely increased development of their industry and resources!

Now, this element of uncertain seasons, against which man is powerless to provide, is in reality not so difficult to estimate in its effects as it appears. The great bulk of wheat in this country is produced along the eastern and southern seaboard, from York to Devon, and the adjoining inland counties, extending over little more than three degrees of latitude, within which climate and seasons are very much alike. Hence a few careful trials will very accurately reveal the yield over the whole region. The annual trials of Mr. Lawes, in Hertfordshire, which have been conducted with the greatest care for more than 20 years, have proved a wonderfully accurate test of the general yield of the country. That county is a nearly central point in the wheat region. But we need not limit ourselves to it. Accurate trials of yield in various parts of the district may be made by any one who will take the necessary pains; and according to the care and judgment bestowed, will be the benefit derived in an early appreciation of the result. As greater facility is acquired by experience in the collection of the returns of acreage, we may hope soon to have the facts published in August, or early in September. The abstract for Ireland was published for 1867 on 12th September. The public will then have only to apply to that acreage their own ascertained rate of yield, and the total crop of the year will be known. Our farmers being first in the market, and most competent of all persons to test the yield, will be in a position to derive the earliest advantage from the returns.

Let us now apply the preceding data to a calculation of the yield of the last harvest. By the middle of September let us suppose that we have had in our hands the returns of acreage. We take examples from various districts of the climate of the year, and find, on careful measurement after threshing, that the yield of wheat has been $6\frac{1}{2}$ bushels below the average, but of better than average weight, so that the actual deficiency is reduced to 6 bushels an acre, or 21 bushels instead of 27, as the yield of the crop for 1867 for the whole kingdom. We apply these figures to the acreage of wheat shown by the returns, and find that our last wheat crop will yield us only 9,700,000 quarters.

III.

Here enters the question of annual consumption, for on its amount and the degree in which it is affected by price, depends the extent of our further requirements.

On this important point in our calculations, I have prepared a table of

produce and imports for the five years preceding 1867, during which period the Irish returns show us that the breadth of corn has undergone little variation. It shows the fluctuation of yield and the total produce of each year, the foreign supply required and received during the succeeding year, the average price of that year, and the total supply of home and foreign wheat and flour in each year from 1862 to 1867. To this I have added my estimate of the produce of crop 1867.

Crop.	Rate of Produce of bushels per Acre.	Total Home Produce.	Estimated Require- ments.	Foreign Supply Received during Succeeding Year.	Average Price of that Year.	Total Supply
		Qrs.	Qrs.	Qrs.	s. d.	Qrs.
1862....	29½	13,700,000	7,100,000	7,206,000	44 9	20,901,000
1863....	35½	16,300,000	4,500,000	6,727,000	40 2	23,027,000
1864....	32½	15,000,000	5,800,000	6,029,000	41 10	21,029,000
1865....	29	13,400,000	7,400,000	6,850,000	49 11	21,250,000
1866....	25½	11,700,000	9,100,000	7,288,000	64 4	18,988,000
...	.....	.....	33,900,000	34,094,000	.....	20,800,000
1867....	21	9,700,000				average of 5 years.

Within this short period is included 1863, the very best crop we have had for 20 years, and 1867, the worst but one. It presents in a very striking manner, therefore, the range of fluctuation in yield, supply, and price, and if carefully studied, will show how each affects the others. The first four years were productive, and, the imports exceeding our need, prices fell to the lowest point since 1853. In 1866 the crop was inferior, the price began to rise, and imports at once increased. But not at once to the extent of our requirements, which were met by the accumulation of stock during the previous abundant years. These had been nearly worked out when the very deficient harvest of 1867 was reaped.

A glance at the table will show the rapidity of the changes in our home supply and requirements, and will tend to confirm the accuracy of my statement of the average yield. It shows us that the average yearly consumption of the country during the last five years has been 20,800,000 quarters.

To what extent is that affected by price? On this point I had the advantage of hearing the opinion of Mr. Newmarch, lately expressed in this room, in which I generally concur. It was to the effect that the consumption of bread is very constant, that everything is given up before bread, and that bread being the staff of life, it must be had by the people whatever the price may be. This view is confirmed by inquiries which I have since made among some of the leading bakers in the most densely peopled quarters of Whitechapel in the east, and the Harrow Road in the northwest, one of whom has been 80 years in business, and has now

three shops in a district entirely inhabited by the working classes. Their testimony is, that the consumption of bread at present is very large, for although dear, it is still the cheapest article of food within reach of the poor; the next substitute, potatoes, being scarce and very dear. Still I feel persuaded that price has some influence, and that the rise on the quartern loaf of household bread from $5\frac{1}{2}$ d. in 1864, to 9d., the present price, must produce some effect on the total consumption. With that belief, I will assume that every 10 per cent of additional price on the loaf, diminishes the consumption by at least one per cent.

Having now ascertained the produce of the last crop, the average yearly consumption, and the probable rate of economy caused by high price, we are in a position to fix with as great a degree of certainty as is necessary for all practical purposes the supplies which the country will need till next harvest. The only other points affecting the calculation, are the amount of old stock in hand from previous harvest and imports, and the length of time, varying between $11\frac{1}{2}$ and $12\frac{1}{2}$ months, over which the pressure may extend before a new harvest can be reaped. These, however, are questions that will not greatly affect the price for the whole year, though they may cause fluctuation, and I think government ought not to offer any opinion on this, but leave it to the market. For the same reason, because it will to a certain extent be matter of estimate, government may very well leave all parties interested to ascertain for themselves the relative yield of each harvest, and to act as each sees fit on his own sources of information.

My view of the last crop, and of our probable requirements and supplies for the present year, is as follows:

	Qrs.
Average annual consumption.....	20,800,000
Home produce of 1867.....	9,700,000
	<hr/> 11,100,000
Old stock on hand almost exhausted, and therefore no deduction can be safely made on account of it.	
	Qrs.
Economy in consumption caused by high price, 5 per cent.....	1,040,000
Eight days' consumption, saved by lateness of last harvest.....	460,000
	<hr/> 1,500,000
Foreign supply required.....	9,000,000

This is at the rate of 800,000 quarters monthly.

Six months of the harvest year have now passed, during which our supplies have amounted to nearly 5,000,000 quarters. Thus far, therefore, the imports would appear to have equalled our requirements. And if my computations are well founded, the balance required during the six months till next harvest, is about 4,600,000 quarters. This is a monthly

rate of 765,000 quarters, or somewhat less than the rate at which, during the last six months, the high prices ruling have brought us foreign corn. In the corresponding six months of last year, our foreign imports exceeded 700,000 quarters monthly, when the price of the preceding six months was 10s. less than at present. I think, therefore, that no apprehension need be felt as to adequate supplies till next harvest.

It will be interesting to consider here the rate of price which, in the past 20 years, has been found sufficient to draw out supplies, and then to complete this question by a short consideration of the sources whence we draw our annual supplies.

In regard to the price, the first consideration, next to our own crop, is the character of the harvest in France. As a general rule, the seasons which are favorable or otherwise for England, are so also for France. In a good season, when we least require it, she gives us of her abundance, but we have to meet her as a competitor in the world's market, when, as in the last season, the crops in both countries are heavily deficient.

The worst harvest we have had in 20 years was 1853, following a deficient harvest in 1852. The deficiency of the home crop in 1853 was twice as great as that of 1867, but an average of 72s. 6d. in the following year, brought us sufficient supplies. 1860 and 1861 were short crops, but an average of 55s. 6d. sufficed to draw supplies. Since 1861 the crops have been above an average, till 1866, when the seasons changed, and the crop was short, and 1867, following on that, is the worst we have had since 1853. The pressure has been increased by the short crop of potatoes and their high price, and by the bad harvest in France, and generally in Western Europe. But up to this date our supplies have been ample, and we have some comfort in the prospect of the next crop, which was sown in one of the best seed times known, and, under the inducement of the high price at that time, on a largely increased breadth of land.

IV.

Some instructive tables are given in the returns, showing the area and crops of the various countries whence we draw our chief supplies of corn. The Board of Trade tables furnish the imports. The following figures, in their order, give the proportions in which the various countries, during the 12 years ending with 1866, have contributed to our wants in wheat:

	Per Cent.
United States.....	85
Germany	21
Russia.....	17
France	12
Egypt	6
Other countries.	1
	<hr/>
	100

The most distant region in the list gives us more than one-third of the whole. The crop reaped on the prairies of the Mississippi finds its way 1,000 miles to the seaboard, and is then transported 3,000 miles by sea, has to bear all the cost of a double transshipment, the profits and commissions and charges of the various persons through whose hands it must pass, and the final duty of 1s. a quarter, before it comes into competition with the home-grown crop. It is not many years since men could prove that the cost of a certain limited number of miles of transport would exhaust the entire value of corn, and that the range within which it was procurable for our wants, must be therefore comparatively limited. The extension of railways, the widening of canals, the use of steam elevators, and the ingenuity and enterprise of the American people, have wonderfully extended that limit. Russia, also, already a large contributor to us, will by the same means have her great plains brought, year by year, more within reach of Western Europe.

So widely spread are the sources of supply, that it is difficult to conceive any circumstance, but one, that could seriously affect us. We have, in the period to which I refer, had a war with Russia, during two years of which there was a total suspension of Russian supply. But Egypt and Spain, in those years, made up the whole of the deficiency. It has never happened that all the countries have had a bad season at the same time. If Western Europe fails, America or Egypt is prolific. In 1856 France could spare us only 30,000 quarters, but America gave us 2,300,000. In 1859 America sent only 100,000, but France, the same year, close upon 2,000,000. For the next four years, all through the war to the end of 1864, America was blessed with bountiful harvests, and poured upon us her superabundance, with little reference to price; and during these years France had very little to spare. But in 1865 and 1866 seasons changed again—America fell to 30,000 quarters, and France rose to nearly 2,000,000.

The one circumstance which might seriously affect us, would be a continued cessation of supplies from America. Of the 11,000,000 quarters we imported in 1862, she gave us five; and, as the figures show, we have received for many years from her, on the average, more than one-third of our yearly supply. In cotton, an import second only in necessity and value to corn, she gives us more than two-thirds of all we receive. Let us hope that interests so great and so mutually beneficial as those which bind together the two great Anglo-Saxon races, on opposite sides of the Atlantic, may be more and more cemented by acts of mutual confidence and good will.

How vast her capacity for export may become, it is impossible to conjecture. From the official returns of her last wheat crop, very little of

which can have yet reached us, she could, after retaining enough for her own consumption, spare us one half of all we shall this year require. She produces annually upwards of 100,000,000 quarters of Indian corn. Indeed, so great and so constant is the yield of this prolific grain, that there may be said to be practically no limit to the supply which in any year a sufficient price could bring into the market.

The effect of good or bad seasons is more intensely felt in all the chief corn countries than in our own. This arises from our higher average rate of produce, and the consequent smaller extent of surface at the mercy of the seasons. A bushel an acre, above or below the average, makes a difference to us of less than 500,000 quarters in the total yield. In the United States, each bushel indicates 1,500,000 quarters, and in France upwards of 2,000,000 quarters of variation. Hence the suddenness and severity of the fluctuations in those countries, as shown by their exports to us.

I cannot leave this part of the subject without noticing the extremely low average yield of wheat in France. She stands lowest in the scale. England I have stated at 28, Ireland is 24, Austria, Spain, and Holland 23, Belgium 21, and France only 15½ bushels an acre. If this is a correct statement of the yield of France, her average rate of produce is less than that of the very worst crop in England during the last 20 years. It is, indeed, precisely the same as the yearly average produce of Mr. Lawe's experimental plot, on which, for 24 years in succession, he has grown wheat without manure.

In 1855, while travelling in France, my attention was drawn to the very low rate of her acreage yield of wheat, as compared with ours, and after publishing my own views on the question, I had an opportunity of discussing them with the eminent French statist, M. Leonce de Lavergne, who agreed with me that, apart from the difference in soil and climate, it is probably to be accounted for by the fact that, while our grass and green crops, or restorative area, are as two to one of our corn, France is exactly the reverse, her corn or exhaustive crops being as two to one of her grass and green crops. But she, too, is becoming more meat producing, and the margin she has to fill up, by increase of yield, is so wide, that a rise of only half the space between her present yield and that of England, would enable her to spare a surplus greater than we have ever yet required from all foreign countries in a single year.

V.

Having thus endeavored to explain what I conceive to be the main value of these returns, in affording a basis for reckoning, with accuracy, and at an early period, the supplies of corn needed for our consumption,

and having dwelt with some minuteness on the various elements which ought to be taken into the calculation, I will now touch on the other great branch of our agricultural wealth—the live stock; and then briefly consider certain changes in our agricultural management, revealed by the returns, which have naturally flowed from the adoption of free trade.

The returns of live stock having been made at different periods of the year, do not yet help us in speaking with certainty as to how far the losses by cattle plague have been made good. Up to October, 1867, when the plague had died out, about 130,000 cattle had died, and 57,000 healthy cattle had been killed to prevent the spread of the disease. The returns show an increase of 161,000 cattle in 1867 over the preceding year. So far numbers go, therefore, the actual deaths by disease would appear to have been fully made good. But until another year's return is made from the same period as 1867, we cannot depend on the figures representing the same comparative data. A like remark is even more applicable to sheep, the figures in the year 1867 being to a large degree, swelled by including lambs born at a date subsequent to that of the returns of 1866.

They enable us, however, to reckon the approximate number and value consumed as food, and, along with the returns of crop, to compare the value of our entire agricultural produce with the foreign supply. As this is a point of the greatest interest and importance, I have compiled a table with as much care and consideration as I can command, showing the average amount and value of the whole agricultural produce of the United Kingdom, consumed annually, the value of the same articles received from abroad, and the proportion in which the total supply is contributed by the foreigner:

	Home Produce.	Foreign Supply.	Proportion of Foreign to Total Supply.
Corn of all kinds.....	£84,700,000	£25,000,000	One-fourth.
Beef and mutton	47,200,000	8,500,000	One-ninth.
Butter and cheese.....	30,100,000	8,400,000	One-fifth.
Potatoes	18,000,000	20,000,000	...
	£180,000,000	£40,100,000	One-fifth.

To these must be added the annual product of wool, £8,000,000, and of flax £2,000,000 sterling, but these enter into the manufacturing industry of the country, and do not come within our present inquiry. There is no return of horses for Great Britain, and they cannot therefore be included; and the pigs are comprised in the meal and potatoes.

The home produce is thus supplied by each of the three divisions of the kingdom:

	England.	Scotland.	Ireland.	Total.
Wheat	£28,500,000	£900,000	£1,100,000	£30,500,000
Barley	16,400,000	2,500,000	1,200,000	19,100,000
Oats	10,900,000	6,200,000	8,600,000	25,700,000
Beans, peas, and rye	6,500,000	350,000	50,000	7,000,000
Potatoes	4,100,000	1,900,000	12,000,000	18,000,000
Cattle and dairy produce	82,500,000	6,500,000	19,000,000	108,000,000
Sheep and wool	18,400,000	4,400,000	4,000,000	26,800,000
Flax .....	.....	.....	2,000,000	2,000,000
	£117,800,000	£23,500,000	£49,650,000	£190,950,000

And in the following proportions in each country per head of the population, and per head of the persons, according to the census of 1861, possessing or working the land, and engaged in its cultivation :

	England		Scotland.		Ireland.	
	Per Head.	Per Producer.	Per Head.	Per Producer.	Per Head.	Per Producer.
	£ s. d.	£ s.	£ s.	£ s.	£ s. d.	£ s.
Corn	2 18 6	32 2	3 5	30 .	2 8 .	12 15
Cattle and sheep	2 7 6	24 8	3 9	31 6	4 4 6	25 5
Potatoes	4 .	2 2	12	5 9	2 8 .	12 15
Flax .....	.....	.....	.....	.....	7	2 2
	£5 10 .	£60 12	£7 6	£66 15	£8 17 6	£62 17

Though these figures are offered only as an approximate valuation, they are interesting as indicating the relative results of agriculture in the three divisions of the kingdom, and the important share which Ireland, even in her present depressed condition, contributes to the whole supply of food.

The foreign produce in greatest supply, is that which can bear longest carriage, and can be packed in least bulk. Whilst we receive one-fourth of our corn, cheese, and salt butter from abroad, the foreigner sends us, as yet, only one-ninth of our meat, and one ninetieth of our potatoes. Those who can recall the controversies of 20 years ago, on the probable effects of free trade, will, I hope, pardon me for introducing a passage written by me at that time, in which I then ventured to speculate on the probable effect of free trade on British agriculture : “ As the country becomes more prosperous, the difference in the relative value of corn and stock will gradually be increased. The production of vegetables and fresh meat, hay for forage, and pasture for dairy cattle, which have hitherto been confined to the neighborhood of towns, will necessarily extend as the towns become more numerous and populous. The facilities of communication must increase this tendency. Our insular position, with a limited territory, and an increasingly dense manufacturing population, is yearly extending the circle within which the production of fresh food—animal, vegetable, and forage—will be needed for the daily and weekly supply of the inhabitants and their cattle, and which, both on account of its bulk, and the necessity of having it fresh, cannot be brought from distant countries. Fresh meat

milk, butter, vegetables, and hay, are articles of this description. They can be produced in no country so well as our own, both climate and soil being remarkably suited to them. Wool has likewise increased in value as much as any agricultural product, and there is a good prospect of flax becoming an article of extensive demand, and therefore worthy of the farmer's attention. The manufacture of sugar from beet-root may yet be found very profitable to the English agriculturist, and ought not to be excluded from consideration. With the great mass of consumers, bread still forms the chief article of consumption. But in the manufacturing districts, where wages are good, the use of butchers' meat and cheese is enormously on the increase; and even in the agricultural districts, the laborer does now occasionally indulge himself in a meat dinner, or season his dry bread with a morsel of cheese. Among the better classes, who can afford it, the expenditure in articles the produce of grass and green crops, is nearly nine times as great as in corn.

"This is the direction in which household expenditures increase when the means permit. It is reasonable to conclude that the great mass of the consumers, as their circumstances improve, will follow the same rule. The only species of corn which has risen materially in price since 1770 is barley, and that is accounted for by the increasing use of beer, which is more a luxury than a necessary of life. Every intelligent farmer ought to keep this steadily in view. Let him produce as much as he can of the articles which have shown a gradual tendency to increase in value."

Writing now, with the additional experience of 18 years of free trade in corn, I can do no better than repeat that advice. The great margin still to be filled up by our own farmers is the daily supply of fresh meat, fresh dairy produce, vegetables, and barley. Since 1850 the price of bread, on the average, has remained the same, while that of meat, dairy produce, and wool has risen 50 per cent, notwithstanding an immense and increasing import of these articles. This and the steadily advancing price of barley, to which I then referred, is the true explanation of increasing rents and agricultural prosperity, notwithstanding increasing receipts of foreign corn.

In the production of barley, as in that of long lustrous wool, this country is still without a rival. Since 1835, when tithes were commuted into a money payment, the average value of the three kinds of corn together has not, on the whole, altered; but the price of wheat has fallen 12 per cent, while barley has risen 8, and oats 4. The growth of barley in this country has nearly doubled in extent within the last 20 years. While it yields the largest weight per acre of any kind of corn, it seems the least exhaustive to the soil, and leaves it in the best condition, as it occupies the ground for the shortest period from seed time to maturity.

VI.

I come now to the application of my paper by the question, how much do these vast supplies yield to the daily wants of the people, in what proportions are they distributed among them, and what modifications seem probable in our system of husbandry?

Writers on dietetics tell us that one pound of bread, one pound of potatoes, and one pound of meat are required for the minimum of daily healthy diet. I have computed the amount of all our supplies, home and foreign, of wheat, potatoes, and meat, have converted the wheat into flour, and the flour into quartern loaves, and I find that if our bread, potatoes, and meat were equally spread over the population of the United Kingdom, the present supply would give one pound of bread and one pound of potatoes, but only two ounces of meat, and the equivalent of one ounce of butter or cheese daily to each person. But it is not equally spread, the proportions in Britain and Ireland being really very different. The people in England and Scotland have among them a pound and a quarter each of bread, and half a pound of potatoes a day; the people in Ireland four ~~and~~ half pounds of potatoes each, and only a quarter of a pound of bread. Whilst there is thus in Ireland still far too great a dependence on the potato for food, there would seem to be room in England for some additional supply of that esculent, so wholesome as a portion of diet. The home supply might be increased with great advantage to the consumer by the extension of potato husbandry on suitable soils, in all English counties, near the seats of large populations.

The proportion of population in various European States to each acre of potatoes, and therefore the degree of their dependence on it for food, affords a tolerable indication of their material prosperity. They stand in the following order: England 66 people to each acre of potatoes; Wales, 26; Scotland, 20; Denmark, 20; Belgium, 13½; Holland, 13; France, 12½; Sweden, 12; Prussia, 5½, Ireland, 5½. Prussia and Ireland thus stand out pre-eminently as potato countries. They have consequently suffered the most severely by the disease of that root, and the emigration from both countries has been greater than from all other European States. But, notwithstanding the past, so great is the temptation presented by this prolific root to the necessities of a poor population, that its culture in Ireland within a very few years after the famine rapidly revived, and at this moment the production of potatoes in proportion to the diminished numbers of the people, and their dependence on it for their food, is almost as great as it was before 1845.

In Prussia, the production of potatoes is also enormous, but the root is not used as in Ireland, solely as an article of food. The German excise regulations are framed as to admit of greater freedom of action on the

part of the farmer, who is thus enabled to unite with his agriculture the business of distillation. He extracts the spirits for sale, and retains on his farm the other feeding properties which his roots possess. Two million tons of potatoes are thus annually disposed of in Germany. German spirits find their way all over Europe, and, notwithstanding the enormous rate of duty to which, in common with the spirits produced in those countries, they are everywhere subjected, the business thrives and increases.

All our root crops contain varying proportions of sugar, which in many cases might, in one form or another, be extracted with advantage on the farm; the other qualities of the root being used for cattle food. But the stringency of our excise laws has hitherto prevented every attempt so to utilise it. Now the British Islands, and Ireland especially, are pre-eminently fitted for the production of root crops and barley. Why should they be restricted in the conversion of these to the most profitable use? The time seems to have come for a reconsideration of our excise laws, and for the substitution, if it be possible, of such a system of levying duties as should leave to the producer the most perfect freedom for the fullest development which skill and capital might enable him to make.

In the extract already read, reference was made to flax and to sugar, as articles likely to form a future object of culture to the British farmer. Flax has now attained considerable importance in Ireland, the annual value of the home growth in recent years exceeding £2,000,000, or nearly one-half of the total value used in that important branch of our manufactures. Sugar from beet was tried in Ireland 20 years ago, but failed, chiefly for want of the necessary arrangements to carry out the extraction and purification of the juice. The question has this year been revived by some persons as a remedy for the ills of Ireland; by others as a branch of national industry, which, if it succeeds, will be alike advantageous to the agricultural interests of the United Kingdom, and to the consumers of sugar. The steady and continuous extension of beet-root sugar on the continent, within recent years, sufficiently proves its remunerative character, for wherever the culture has been established, the employment and wages of labor have been increased, the number and quality of fattened cattle have augmented, and the land has become more productive and more valuable. Having been consulted as to the most suitable county in which to make a beginning in England, I examined the agricultural returns, and suggested Suffolk, that county being the most extensive producer of mangold near the metropolis. And I am glad to be able to announce that arrangements have now been completed to try the experiment in that county, this year, on a scale sufficiently large to test its probable success.

I might now proceed to many most interesting points, affecting agricul-

ture, disclosed by these returns—such as the relative productiveness of districts of large and small farms, of corn and grass, of sheep and cattle, of dairy husbandry, of the course of crops in particular districts, of the importance and wealth of certain counties as compared with others, the extent of farms as influenced by climate and soil, on all of which the most valuable information is afforded. But these questions must be left to other laborers, or to another time. Suffice it now, in conclusion, to say that the effect of free trade on the food of the people of this country has been to moderate the price, and immensely increase the supply of food. And for my own part, I feel thankful that in the House of Commons I was the instrument of carrying a resolution which led to the collection of these returns. For, in supplying a basis of certainty in the acreage, they have given us the power of answering, with accuracy and in good time, the question whence the 30,000,000 people, who live within the narrow limits of the British islands shall, year by year, be provided with their daily bread.

NOTE.—The prices and proportions on which the valuation of the annual produce of live stock were, are as follows: Dairy produce of cows in England, £10 each; in Scotland, £8 each; in Ireland, £7 each. One-fourth of the whole of the cattle in the respective countries is assumed to be sold annually at £16 each in England, £14 in Scotland, and £10 in Ireland. Of sheep, the wool is valued in England and Ireland at 8 shillings a head, and in Scotland at 6 shillings. One third of the sheep in number in England and Ireland, and one-fourth in Scotland, are assumed to be sold every year at an average price of 35 shillings each.

“WATERED” RAILROAD CAPITAL.

[Communicated]

Your remarks upon the “watering” of railroad stocks in the last number of the *MAGAZINE* have attracted much attention and deservedly so from their inherent force and general truthfulness. It appears to me, however, that, in your zeal to check an indisputable evil, while you have spoken nothing but the truth, you yet have failed to give the whole truth. Permit, therefore, a careful reader of the *MAGAZINE* to present a few considerations which, taken together with your remarks, may perhaps afford a more complete survey of the question.

The original capital of our railroads cannot be said to represent their value in their present condition. The roads have been built gradually, the structure produced from the original capital being a mere skeleton of ties and rails, running through country of but little value and costing but a nominal sum to the companies. From the year of their opening, up to the present time, they have been undergoing a steady process of completion, until at last our leading roads, in respect to solidity of structure, quality of work, and equipment, compare favorably with the railroads of Europe. Fragile wooden bridges and trestle viaducts have been in many

cases substituted by works of masonry; stations which originally were little better than frame barns, have been replaced by commodious, frequently handsome and generally durable erections; store-houses have been enlarged or new ones built on the larger roads; immense workshops have been erected and completely furnished; on roads having their termini on the lakes or the rivers, extended wharfage accommodation has been provided; in not a few instances iron rails have been replaced by steel, and thousands of miles of road have received an additional track, while the rolling stock has been largely increased and improved. This process of completion has been conducted not by subscriptions of new capital, the system very generally adopted on the English roads, but, as a rule, by the steady absorption of a certain proportion of the earnings, which otherwise would have been available for dividends. The amount required each year for these purposes has not been large and did not appear to call for new issues of stock, so long as the stockholders were willing to forego dividends for the permanent improvement of their property. When this process, however, has been carried on for a period of twenty or thirty years, it is evident that a very large aggregate of new capital has been put into the roads, without any corresponding change in the capital stock. Moreover, the real estate of the companies has largely increased in value, even without taking into account the inflation growing out of the existing financial derangements. The roads have opened new territory, and have been instrumental in the building of towns and cities on their route, thus giving a value to their own lands and buildings, largely in excess of their original cost; and this appreciation must be regarded as permanent, under any and all future fluctuations in values. The construction effected by the use of earnings, until 1863, was upon a low scale of prices; while, since that period, high prices have checked construction works, leaving a larger proportion of the receipts for dividends.

Now, if for a quarter of a century the earnings of the roads have been steadily reinvested in permanent structures and appendages, it is clear that in no sense can the original stock be said to represent the capital actually put in by the shareholders. The primary capital may be viewed as what was required to start the roads; the capital since contributed was needed to complete and expand them, adapting them to the constantly growing wants of the country. The later accretions of capital are unrepresented in the nominal capital; "watering" proposes to give them a formal recognition; and neither more nor less. It would be interesting to learn wherein this course is unsound in *principle*. If there ought to be any correspondence between the nominal capital and the actual investment, why should not the capital contributed since the opening of the roads be represented in the capital stock? I think the enemies of "watering" would find it difficult to give a candid answer to this question.

There is, however, a very proper *policy* underlying most cases of "watering." The improved condition and capacity of the roads, effected by these gradual reinvestments of earnings, has increased their profits to such an extent as to enable them to pay enormous dividends upon the original limited capital. Legislatures view corporations with a superficial and sometimes ignorant jealousy; and these liberal dividends naturally tempt them to curtail the privileges and reduce the fares of the roads to a point which will bring down the dividends to what they conceive to be a fair percentage on the capital stock. This sort of interference is essentially unjust. The large earnings are not the product of the original limited capital represented by the stock, but equally of the large subsequent contributions paid by the shareholders out of the annual earnings. If the stockholders are to be allowed only a moderate dividend upon their original investment, then they are to be deprived of income from the funds which for twenty or thirty years they have been investing in the roads instead of receiving them in dividends; in other words, the public are to be benefitted by the spoliation of the stockholders. Railroad capitalists see themselves to be imminently exposed to this injustice; and they therefore deem it prudent, in order to place themselves in a true position before the public and the legislatures, to bring up the capital stock of the roads to a point more nearly representing the amount actually invested by the stockholders. This may be thoughtlessly denounced as "watering" or "inflation;" but I do not hesitate to put it before the sober, reflecting readers of the CHRONICLE as challenging the closest scrutiny upon the most conservative grounds.

Yours, &c.,

A CONSERVATIVE STOCKHOLDER.

MILWAUKEE AND ST. PAUL RAILWAY.

The corporation owning the Milwaukee and St. Paul Railway line is a consolidation of the Milwaukee and St. Paul Railway (Milwaukee to La Crosse) and the Milwaukee and Prairie du Chien Railroad (Milwaukee to Prairie du Chien) Companies, a consolidation perfected in 1868 by the purchase of the latter by the former company. The line in Iowa and Minnesota was acquired by the assumption of its cost and indebtedness. During the last fiscal year the company extended their Northern line from Ouro to Winneconne (opened November, 1868) a distance of five miles, and at the close of said year were engaged in the completion of the Watertown branch from Sun Prairie to Madison, a distance of about 12 miles. The opening of the latter section of road will shorten the distance

between Milwaukee and the Mississippi River by about 17 miles. The company have also purchased the elevator at Milwaukee for \$300,000, so that the several roads now owned by the company may be described as follows:

Milwaukee, Wisc., to Prairie du Chien, Wisc.....	193 miles.
Prairie du Chien, Wisc., to St. Paul and Minneapolis, Minn.....	215 "
Milwaukee, Wisc., to La Crosse, via Watertown, Wisc.....	196 "
Milwaukee, Wisc., to Portage, via Horicon, Wisc.	55 "
Horicon, Wisc., to Berlin and Winneconne, Wisc.....	58 "
Watertown, Wisc., to Sun Prairie, Wisc.	36 "
Milton, Wisc., to Monroe, Wisc.....	42 "
Total length of all the lines.....	835 miles

The rolling stock in use on the several lines at the close of 1868 consisted of 135 (an increase in the year of 10) locomotives; 64 (increase 4) first class, and 10 (increase 2) second class passenger cars; 6 sleeping cars; 53 (increase 5) baggage, mail, and express cars; 2,070 (increase 220) box freight cars, and 430 (increase 32) flat and stock cars. The repair and renewal of track in 1868 consumed the following, viz.: new iron rail 704 tons; new steel rail 115 tons; rerolled rail 5,784 tons; splices 385,900 lbs.; chairs 139,054 lbs.; bolts 112,085 lbs., and spikes 357,097 lbs. Also 190,770 crossties. The value of fuel and supplies on hand at the close of year amounted to \$509,882 62. The company now have several new connections in process of construction. 1. *McGregor and Sioux City Railway*. The franchises of this company have been purchased by the Milwaukee and St. Paul Company as far West as Charles City, about 50 miles, and are to be paid for in shares and first mortgage bonds. This portion of the line will be completed before the harvest. The Western portion will be built by the McGregor and Sioux City Company at the rate of 60 miles per annum. Probably the Milwaukee and St. Paul Company will absorb the whole line, which, when completed, will, it is thought, become the best part of the Company's property. 2. *West Wisconsin Railway*—Extending from Tomah on the La Crosse division to St. Paul. The road is already completed to Black River Falls, and being operated by the Milwaukee and St. Paul Company. 3. *Southern Minnesota Railway*—From La Crescent, opposite La Crosse, is now completed to Lanesboro', a distance of 50 miles. 4. *Hastings and Dakota Railroad* is open from Hastings to Farmington, 17 miles, and is being pushed on to the Missouri River, the Western terminus to be at or near the mouth of the Washtee or Good River. 5. *Minnesota Valley Railroad*—open from St. Paul to Mankato, about 100 miles, with a fair prospect of rapid extension much further up the rich valley of the Minnesota River. 6. *St. Paul and Pacific Railroad*—extending northwesterly from St. Paul about 60 miles, with a view of ultimately reaching the Pacific Ocean near Astoria, Oregon. It is understood that certain Dutch

capitalists have this project in hand. 7. *Lake Superior and Mississippi River Railroad*—is already built from St. Paul toward Lake Superior, about 30 miles, and promises to reach a point on that lake during the current year.

The importance of these connecting roads is evident. They are either extensions of the Milwaukee and St. Paul road, or will become valuable feeders to that work. The principal freight of all and each will be the lumber of Minnesota for consumption on the prairies, and the coal and provisions of Iowa for use in Minnesota, Wisconsin, &c., and for transmission to the lake ports and Canada. Such an interchange of commodities will fill the cars both ways.

The following is a summary of operations on the several divisions of the company's railways for the fiscal year 1868, and of the results thereof:

	La Crosse & Northern. (375 m.)	Prairie du Chien. (235 m.)	Iowa & Minnesota. (215 m.)	Total of all Divisions (825 m.)
Miles run by trains.				
Passenger.....	421,703	275,019	160,690	857,412
Freight.....	634,139	615,789	289,947	1,539,875
Wood and gravel.....	140,362	90,605	93,647	324,614
Total miles run.....	1,196,194	981,413	544,284	2,721,891
Tons of freight carried.				
Eastward.....	336,955	265,741	137,656	740,352
Westward.....	168,637	157,463	6,113	332,213
Both ways.....	505,592	423,204	205,769	1,134,565
Tons carried one mile.				
Eastward.....	33,890,608	32,950,935	12,327,399	83,668,992
Westward.....	16,728,644	13,867,296	5,781,483	36,377,423
Both ways.....	55,119,292	46,818,231	18,108,882	120,046,405
Tonnage & storage revenue.				
Revenue eastward.....	\$1,205,012 87	\$1,016,792 52	\$450,155 74	\$2,671,960 63
Westward.....	728,553 85	497,389 62	228,610 38	1,514,553 85
Both ways.....	1,933,566 22	1,514,182 14	778,766 12	4,226,514 48
From storage.....		189 64	79,559 77	79,749 41
Tonnage revenue per mile.				
Per mile eastward.....	3.14c.	3.09c	3.65c.	3.19c.
Westward.....	4.35	3.59	4.99	4.16
Both ways.....	3.51	3.23	4.08	3.49
Passengers carried.				
Passengers eastward.....	170,927	135,563	61,395	367,885
Westward.....	206,623	150,150	69,925	426,698
Both ways.....	377,550	285,713	131,320	794,583
Passengers carried one mile.				
Passengers eastward.....	8,673,820	5,557,679	3,619,580	18,851,079
Westward.....	12,056,914	7,816,825	4,852,819	24,726,558
Both ways.....	20,729,774	14,874,504	8,472,399	43,976,677
Passengers revenue.				
Revenue eastward.....	\$345,687 05	\$221,955 97	\$174,057 48	\$741,700 50
Westward.....	455,161 43	257,549 45	217,844 66	930,555 54
Both ways.....	800,848 48	479,505 42	391,902 14	1,672,256 04
Milwaukee & St. Paul accom., &c.....			23,039 68	23,039 68
Passenger revenue per mile.				
Per mile eastward.....	3.99c.	3.33c.	4.81c.	3.93c.
Westward.....	3.78	3.29	4.49	3.76
Both ways.....	3.86	3.34	4.63	3.84

The gross earnings of the several divisions, including mails, rents, expresses, &c., were as shown in the following summary:

	La Crosse & Northern.	Prairie du Chien.	Iowa and Minnesota.	Total of all Divisions.
Freight.....	\$1,933,566 22	\$1,514,371 77	\$818,345 83	\$4,266,283 82
Passengers.....	809,848 49	479,505 42	414,941 82	1,695,295 72
Mails and rents.....	83,896 96	25,708 62	14,199 22	123,804 80
Miscellaneous.....	6,083 60	3,381 44	2,480 15	11,945 19
Express service.....	126,336 09	90,284 67	91,776 01	308,396 77
Telegraph.....	2,113 70	1,914 30	246 69	4,274 69
Working Cars.....	9,610 00	13,665 00	2,930 50	26,205 50
Elevators.....	124,176 71	201 44	.....	124,378 15
Total gross earnings.....	\$3,043,636 76	\$2,129,092 67	\$1,344,916 28	\$6,517,645 71

duct from these amounts as follows :

Ordinary expenses.....	\$1,883,804 27	\$1,049,827 56	\$679,687 66	\$3,113,319 49
Extra ordinary exp's.....	469, 48 29	818,216 84	132,468 87	919,733 50
Total expenses.....	\$1,852,847 56	\$1,868,044 40	\$812,149 03	\$4,033,040 99
Net earnings.....	\$1,190,739 20	\$761,048 27	\$532,767 25	\$2,484,604 72

The extraordinary expenses charged to income include renewals of track, new bridges, new fences, new buildings, new locomotives and cars, tools and machinery, United States taxes on manufactures, two elevators, and interest and exchange. Had these charges been placed against new capital the net earnings would have been \$3,404,333 22, instead of \$2,484,604 99 as shown in the above account. Compared with the earnings and expenses of 1867, those of 1868 were increased by the following amounts :

	La Crosse & Northern.	Prairie du Chien.	Iowa & Minnesota.	Total.
Gross earnings increased	\$97,227 81	\$187,263 12	\$599,544 19	\$884,035 12
Expenses increased.....	130,630 85	.....	249,768 05	380,398 90
Expenses decreased.....	.....	12,087 28	.....	12,087 28
Net earnings increased.....	.....	150,900 35	349,782 11	450,671 26
Net earnings decreased.....	82,900 54	.....	.....	82,900 54

The following compares the gross earnings of the second division for the last five years:

	La Crosse & Northern.	Iowa & Minnesota.	Prairie du Chien.	Total.
1864	\$1,402,158 86	.....	\$1,711,280 88	\$3,113,439 74
1865	2,535,001 43	.....	1,955,511 71	4,490,513 14
1866	2,538,799 96	\$542,721 80	2,012,749 12	5,094,270 88
1867	2,946,406 95	745,872 09	1,991,899 55	5,684,178 59
1868	3,042,636 76	1,314,916 28	2,129,092 67	6,517,645 71

From the above tables we make the following summary of comparative results for 1868, reducing the primary figures to relative proportions:

	La Crosse & Northern.	Prairie du Chien.	Iowa & Minnesota.	Total.
Miles of road opened	875	285	215	1375
Train miles to mile of road.....	3,120	4,176	2,534	9830
Tons of freight to mile.....	146,925	199,226	85,918	432,069
Passengers to mile.....	55,279	61,168	32,403	148,850
Gross earnings to mile.....	\$3,116 86	\$9,059 97	\$6,765 42	\$19,942 25
Expenses to mile	3,175 44	3,238 50	2,477 99	8,891 93
Net earnings to mile.....	4,940 92	5,821 47	2,777 43	13,539 82
Receipt per passenger per mile.....	3.9c	3.3c	4.7c	3.9c
Receipts per ton per mile	3.5c	3.2c	4.1c	3.5c
Earnings per mile run on freight....	\$3 04	\$3 46	\$2 82	\$3 11
Earnings per m. on passengers.....	2 23	2 21	3 23	2 42
Expenses per mile run	1 76	1 54	1 80	1 68
Expenses to earnings.....	61 p. c.	64 p. c.	60 p. c.	62 p. c.

The gross earnings and expenses on all the divisions for the year ending December 31, 1867 and 1868 amounted to :

	1867	1868
Gross earnings.....	\$5,683,603 59	\$6,517,645 71
And the operating expenses.....	3,665,685 82	4,033,040 99
Leaving net earnings.....	\$2,017,917 77	\$2,484,604 72

This residue is charged with interest on the mortgage indebtedness and previous to the extinguishment of the preferred stock of the Prairie du Chien Company with the dividend thereon. The past year has seen the first dividend on the preferred and common stock of the consolidated

PRODUCTION AND DISTRIBUTION OF BREADSTUFFS.

Important as is the foreign trade in breadstuffs to the shipper and to the producer the amount exported bears a smaller proportion than many appear to remember to the aggregate production of the country or to the amount distributed through the great internal lines of communication to all parts of the land. The production of corn and wheat in the United States in the year 1868 is estimated at 980,000,000 bushels, or about 28 bushels per head to the population. Rye, oats, barley and buckwheat carry the aggregate crop to about 1,400,000,000 of bushels. The total export last year of wheat, corn and flour (reducing barrels of flour to bushels) was only about 18,000,000 of bushels. From the port of New York the shipments to all places was as follows: Flour, bbls. 988,993; wheat, bushels, 5,694,787; corn, bushels, 5,900,579. Reducing flour to bushels the aggregate was 16,540,281 bushels. Of this amount by far the larger portion was sent to Great Britain. The rest went to the British North American colonies, to West Indies and to South America. The figures are as follows:

		Great Britain.	Rest of Europe.	B. N. A. Colonies.	West Indies.	South America.
Flour.....	bbls.	236,110	51,948	208,683	36,841	115,401
Wheat.....	bush.	5,624,365	152,218	67,516	94,104	29,29
Corn.....	bush.	5,600,915	56,291	133,386	115,429	19,986

During the year 1868 the receipts of the leading articles of breadstuffs at the five lake ports of Chicago, Milwaukee, Toledo, Detroit and Cleveland were as follows: Flour, 4,266,885 bbls.; wheat, 31,795,521 bushels; corn, 31,368,100 bushels. Reducing flour to bushels, we have a total of 84,500,000. This quantity of breadstuffs was shipped from the ports named and was scattered along the route to the seaboard, less than one-fifth of it, or 16,000,000 bushels, as we have seen, going abroad.

The rest was for home consumption.

In this connection, and for the purpose of appreciating the relative importance of the different avenues for freight, it is well to look at some of the details of production and see where breadstuffs are in excess and where they are deficient. The total population of the six New England States and of New York and Pennsylvania is 8,968,453. The quantity and value of the corn and wheat produced in them is as follows:

	Value.	Quantity, bushels		
		Corn.	Wheat.	Total.
Maine.....	\$2,744,539	1,624,229	193,150	1,817,379
New Hampshire.....	2,598,740	1,821,281	305,53	1,626,94
Vermont.....	3,743,503	1,490,975	614,692	2,105,667
Massachusetts.....	3,295,096	2,545,096	41,000	2,606,096
Rhode Island.....	625,804	40,293	26,638	436,931
Connecticut.....	2,281,000	2,059,835	52,401	2,112,236
New York.....	82,481,079	27,809,498	12,524,406	35,333,904
Pennsylvania.....	60,694,500	25,281,877	10,519,600	46,801,477
Total.....	\$186,221,261	68,133,439	23,289,620	92,423,109

Thus, while Pennsylvania produces corn and wheat to the value of \$19 for each of its inhabitants, and New York to the value of \$15, Massachusetts produces only \$2½ and Rhode Island \$3½. Vermont produces \$12, Maine \$4½, New Hampshire \$5, and Connecticut \$6; and, altogether, these States only produce an aggregate of about 10 bushels per head to the population. Turn now to some of the great producing States—Iowa, Illinois, Ohio and Michigan. These States have a population together of 6,186,806. The value of their corn and wheat is as follows:

	V. lue.	Quantity, bushels		
		Corn.	Wheat.	Tot l.
Iowa.....	\$71,544,458	49,411,183	8,244,565	56,755,698
Ill.ois.....	124,134,313	255,844,350	28,551,411	184,395,771
Ohio.....	79,60,084	99,766,824	10,408,54	109,475,676
Michigan.....	50,805,948	16,118,680	14,740,639	80,859,319
Total.....	\$324,104,903	320,201,985	61,785,479	381,987,464

Iowa raises of corn and wheat the value of \$72 to each inhabitant, Illinois \$60, Ohio \$35, and Michigan \$50; or altogether, they produce 62 bushels to each inhabitant. If we add the aggregate production of potatoes, rye, oats, barley and fruits, some idea may be formed of the vast food resources of these great States and the immense surplus they have with which to make up the deficiency of the Eastern States. It is thus out of their abundance that they pour forth such lavish supplies to feed the population of less productive portions of the Union and of foreign countries. The surplus they send to the Lake ports is 80,000,000 of bushels. Four-fifths of this, after the export is taken out, remain to supply the wants of New England and the East, and to make up the deficient average of grain production which we have shown above, and which varies from \$2½ a head in Massachusetts, whose energies are given over to manufacturing, to \$72 a head in Iowa, which State is the heritage of an agricultural people, and has the capacity to raise food enough for the whole country. Only one-fourth of her area is now under cultivation.

The figures we have given exhibit the vastly preponderant value of the internal commerce of this country compared with the foreign traffic. They suggest, too, the great value of the railroad system for collecting these products at the centres of business and then distributing them wherever they may be needed over all the land. The grain comes from Chicago to New York by water for 32 cents. The railroad, in the heat of competition, brings it for 30 cents. From Oswego to New York, hardly a quarter of the distance from Chicago, the railroad charge is 58 cents for a barrel of flour, and the water charge is 32 cents. From St. Louis to New Orleans the freight on flour is 40 cents, from New Orleans to New York 75 cents—an aggregate of \$1 15, while from St. Louis to New York, direct by rail, the freight is \$1 30.

The grain and flour start from the Lake ports and are dropped everywhere by the way. The large cities demand millions of bushels; the manufacturing towns hold out their hands for a supply; the small villages all take their quota, and the farmer's wagon comes to the railroad station and bears away to his farm the barrel of flour which represents the food the unkind climate refuses to produce. In this work of distribution, as we remarked in a former article, the railroads find a large portion of their business. The water routes are few and fixed. New land routes are opening daily, and are penetrating to every part of the country. The flour which is transported over half the continent for a dollar, is charged on the local routes 30 or 40 cents, or even more for a dozen miles; and one may ship a barrel of flour from Chicago to New York for less than the cost of getting it to a point not without the reach of the sound of the City Hall bell.

The period before railroads and canals was the period before manufactures. It was the era of home production and home consumption. The New England farmer was obliged to raise his food; he could not bring it from distant regions. Soon followed the marvellous growth and extension of the lines of intercommunication. As soon as the fertile valley of the Genesee was reached, New England found that food could be bought cheaper than it could be raised, and that the muscle and brain of her people could be more profitably employed in other pursuits than agriculture. The Ohio was reached, and the States along the Lakes; and as these immense granaries began to empty their riches into the lap of the East, the latter found new fields for its energies. Production and distribution have gone hand in hand, and the channel to market never remains long overcrowded. As a new demand is made upon it, new facilities are offered, and the restless energy of commerce is ever on the alert to make easy the transfer and interchange of commodities.

But the more important lesson developed by the facts we have presented is the value to the producer of cheapened channels for freight to the East. Much has been written of late with regard to other routes for reaching the seaboard. The Mississippi and the St. Lawrence has been looked to with this purpose in view. While we decidedly favor all these efforts, knowing it to be for the best interests of the country that the agricultural products of the West should reach the seaboard with as little expense as possible, none can fail to see that to supply the consumption of the Eastern States is a far more important object, as that demand is many times the demand for export. The great question returns again therefore, how shall we cheapen freights from the West to the East? In a former article we showed that the chief expense was in handling, and we are glad to see that in the late Chicago convention this matter has been fully con-

vassed and an agreement been entered into between the Boards of Trade of the different cities which it is hoped will remove this difficulty. If that can be accomplished, then it will be proper to look to our canal tolls and canal facilities to see if the former cannot be lessened and the latter enlarged or increased. Let as little as possible be taken from the producer and consumer for transportation charges and the whole country will reap the benefit.

THE PUBLIC DEBT.

There is a good deal of satisfaction expressed at the fact that we are beginning, however slowly, to reduce the principal of our debt. Mr. Boutwell's statement for the 1st June shows that he had bought for the Sinking Fund three millions of Five-twenties, which have \$93,000 accumulated interest. Since this report, on Thursday of this week, another million was bought, so that the aggregate is now four millions, bearing an annual of gold interest of \$240,000. By an expenditure of more than 4½ millions we have relieved ourselves of the burden of nearly a quarter of a million of annual interest. The general policy of buying up our bonds at so heavy a premium, merely for the sake of lessening the payments of interest, we have several times discussed of late, and we need not recur to it in this place. There is no doubt, however, that a part of the surplus in the Treasury may with great advantage be kept in bonds so as to prevent the too rapid accumulation of gold and of greenbacks.

There have been during the month very few changes of importance in the general aggregates of the debt. The grand total of the long gold bonds amounted on May 1st to \$2,107,878,700 and on June 1st to \$2,107,881,100. The increase of \$4,500 is not explained. It took place in the Five-twenties, while all the other descriptions of gold bonds remained the same as last month. In the currency bearing debt there has been no change of importance. The Navy Fund is 14 millions, and the three per cent legal tender certificates show a small decrease.

But if in the interest-bearing part of the debt there are few changes, it is much otherwise with the rest of the schedule. The gold notes have increased more than seven millions, while the fractional currency has diminished two millions, and the currency balance has been increased more than 15 millions. There has thus been a rapid contraction of the active currency of the country, and during the month over 17 millions have been taken out of the circulating current of ready money afloat in the channels of trade. This severe contraction has not been so much felt, because currency is returning rapidly from the interior. Had this process of locking up the currency in the Treasury taken place before the monetary spasm of April had passed off, incalculable mischiefs must

have been the result. All that this violent movement has actually done is to retard the lively recovery of business and to prevent the commercial recuperation which was anticipated. Everywhere complaints are heard of more or less depression of industrial enterprise and stagnation of trade. This ill-timed contraction of the currency is in no small degree to blame for these deplorable results. Like the showers and sunshine of spring the genial warmth of favorable monetary conditions are needful to make the country flourish. And among these stimulating and indispensable conditions is a currency elastic, exempt from spasmodic contraction, and responsive to every movement of business, extending when trade is active, and gently, gradually shrinking as commercial quiet begins to prevail.

The currency arrangements of the Treasury are likely, as we have more than once showed of late, to give Mr. Boutwell trouble. The elasticity which is needful can be imparted to it only through the Treasury. And this fact causes every movement towards locking up currency and hoarding greenbacks in the government coffers to be looked upon with no small popular anxiety.

Turning, however, from this unwelcome aspect of the debt statement, there are several points of a more gratifying character. The net aggregate of the debt shows a decrease of \$13,384,778 since the 1st of May, if we deduct the cash in the Treasury and add the accrued interest. Owing to the increase of seven millions in the gold notes, and the decline of two millions in the fractional currency, the gross aggregate of the debt is nearly five millions more than last month. It will also be seen from our tables that, after deducting the cash in the Treasury, the net aggregate of the debt, exclusive of interest, is nearly seven millions more than last month.

One of the most gratifying aspects of the statement, however, is the decrease since the war. At the end of August, 1865, was struck the highest point which our war debt ever reached. The expenses incident to the disbanding of the army had swelled the aggregate to the prodigious sum of \$2,756,431,571. The amount has been reduced by \$291,365,064, and had we not expended fifty-five and a half millions during the interval on the Pacific Railroads, our public debt would have been no more than about two thousand four hundred and sixty-five millions. Still the pleasant fact remains that we have paid off two hundred and ninety-one millions of our public debt during the first five years of peace. This sum is more than 10 per cent of the aggregate, and thus amounts to twice as much as the one per cent required by the Sinking Fund law of 1862.

There is one more point which we must not omit. We refer to the economy with which the new administration are running the machinery of the Government. It is to this that we owe the large surplus of receipts

over our disbursements which has so much contributed to swell the balance in Treasury. Retrenchment and administrative reform are among the most prominent watchwords of the day.

FINANCIAL POSITION OF EGYPT.

The following important article is translated from the French newspaper, the *Progres Egyptien*, published in Alexandria, on the recent speech of his Royal Highness the Viceroy in reference to the financial position of Egypt :

For those who, as we do, know Egypt, its institutions and customs, the speech of his Royal Highness the Viceroy in the Chamber of Delegates, indicates progress in the right direction, and we hasten to notice it. This document is essentially financial. Its evident aim is to show the actual financial position of the Egyptian government. Those who heard it are the representatives, not, perhaps, of the whole of the native population, but at any rate of the classes who pay taxes, and who bear the consequences of the fiscal arrangements of the country. To them, therefore, the Viceroy thinks it desirable to explain clearly the necessity of the present expenditure. Those who will read it are chiefly the capitalists and financiers who, under the influence of various convictions, have thought good either to invest their money, or operate in the Egyptian public funds. These persons, also, the Viceroy wishes to inspire with confidence, and he has done his best to show them a bright and satisfactory future. But let us for the present leave on one side the various ways in which the native and European populations appreciate the speech of his Highness, and let us consider it in what it commonly interests us all. First comes the debt. According to the speech, this would be reduced to about £17,000,000, including the new loan. How is this sum of £17,000,000 arrived at? Such is the question which every one has naturally asked himself, and has tried to solve by calculating the amount of the Egyptian debt with the data which we all possess. This is also what we have tried to do in the statement we publish, and which starts from the 1st of January, 1869. We find at that date the amount due of £22,797,977, showing a difference of more than £500,000, as compared with the official document. It will be seen however, that we have only taken into account, for the formation of the government debt, the amounts indicated by the government itself, in the budget published about a year ago. We see there, next to the loans of 1862 and 1864, the obligations which Medjidieh and the railway loan; and if a doubt could be entertained as to the possibility of including this last in the government loans, it would disappear before the declaration of his Highness himself, who says that his Ministry of Finances has taken it upon itself to pay off the railway loan. It may perhaps be alleged that when the speech was delivered allusion could not be made to the portion of the debt due in January. We will admit this, and concede that thus there disappears from the railway loan £100,000, from the 1868 loan £60,500, and from the Medjidieh obligations £38,769, making in all £599,619; but, nevertheless, we have always a public debt of over £22,000,000. Let us now come to another subject, viz., the floating debt, of which no mention whatever is made in the speech of the Viceroy. Here we have no positive data.

no documents, and we have to take inferences and information, the control of which is exceedingly difficult. According to some, the bonds of the Treasury still in circulation, and the "eff date," or shares in the names of the owners, would amount to about five millions sterling. According to the most favorable calculation this sum would come to at least £3,000,000. We shall, therefore, not be taxed with exaggeration if we take the average, and fix the floating debt at £4,000,000, to be redeemed within two years, say £2,000,000 per annum. On looking to our statement we see that the service of the loans itself requires for the year 1869-70 £2,500,000; this together with the £2,000,000 for the redemption of the floating debt, represents a sum of £4,500,000 to be taken before everything else from the income of Egypt. Let us add to this the fixed expenses such as civil list, pensions, tribute to Constantinople, and pilgrimage to Mecca, which, according to last year's budget, will require in all a sum of above £1,300,000. We have then for the present year £5,800,000, which is absolutely required as indicated. According to the same budget—for the present the only official document to which we can refer—the total income of Egypt is £7,500,000. There would therefore only remain after deduction of the amount stated above, a sum of £1,700,000, which ought to be sufficient for the public services and expenses of every kind. But let us return to our starting point. The amount of the debt at this date is £22,000,000. In Europe, and particularly in the English financial papers, they have tried for some time past to establish the amount of this debt, and they have generally fixed it at £28,000,000. There is in this an error, which it is important to correct. It arises from this fact, that they have confused with the debt of the government that which corresponds solely to the Vice-regal Daira. As can be seen from our statement, three loans, the balance of which was due on the 1st of January, 1869, amounting to £5,281,220, are for account of the Daira, but nobody doubts that the private income of his Royal Highness the Viceroy is important enough to secure the payment of this amount. One of the loans that was contracted in 1867, to cover the purchase of the property of his Highness Mustapha Pacha is, it must be said, guaranteed by the government, and if we pushed to extremes the principle of responsibility, we could add the £2,000,000 which it represents to the government debt, but we must repeat that nothing could justify this measure in view of the income of the Daira, and the intrinsic value of the guarantee of the government itself. The financial position of Egypt being determined in a precise manner, at least in what concerns the loans, and in a way unavoidably approximate with respect to the floating debt, it is important to notice the conclusions arrived at. If we consider the present condition of the finances (not taking the future into account), we can only foresee very great difficulties for the government, and we necessarily expect that it will be obliged to find extraordinary resources in order to satisfy the exigencies of the Treasury. But if we look to the future we see that within a relatively short period the charges it has at present to support will rapidly decrease. Contrary to what happens with the great majority of European states, the reimbursement of the public debt is not spread over an unlimited period; it is confined here to thirty years at the maximum, with a progressive diminution from year to year; but on account of this short space of time it weighs more heavily, too heavily, on the present generation. Whatever may be

the causes of the situation, let us examine it as it is, and we shall agree that it requires, in order to work out a satisfactory result, great cleverness and circumspection, and a ceaseless watchfulness. We might be taxed with optimism if after the above explanations, we asserted that the financial position of Egypt is prosperous, but we desire to guard against an exaggerated appreciation in the contrary sense, and an examination of the resources of the country will, no doubt help to establish a true and correct opinion on this matter.

THE FINANCIAL SITUATION IN ITALY.

(From the London Economist.)

Naturally enough the recent speech of Count Cambray-Digny has received comparatively little attention. It is a wilderness of figures; and for that reason the Minister, notwithstanding his obvious intention to explain everything, has failed to present a view of the situation in manageable compass. Most people have got the notion, which is not a favorable one for Italian credit, that the equilibrium of the Budget is again indefinitely adjourned, and that there is to be a forced loan and other expedients to provide for the intermediate period, no provision, however, being made for unforeseen events. The notion is sound enough, and perhaps sufficient for practical men; but it may be worth while to show definitely the present distance of Italian Budgets from an 'equilibrium;' the measures by which more revenue is to be got, so as to bridge over that distance; and the nature of the expedients by which the Treasury meanwhile is to be supplied.

The first point in the Minister's speech is so far favorable. The floating debt has been got under for a time. In the calculation a year ago the debt at the close of 1868 was expected to reach the sum of £22,880,000, but on the 31st March last it was only £12,520,000, showing a relief to the Treasury compared with the previous anticipation of £10,360,000. Unfortunately when this sum is examined it appears that the relief is obtained merely by an increase of the permanent debt. The items are—

Received on account of Tobacco Loan.....	£7,860,000
Augmented net receipt from sales of ecclesiastical property.....	1,680,000
Total.....	£9,040,000
Increase of receipts and diminution of expenditure in 1866-67-68	1,820,000
Total.....	£10,860,000

—so that the country is only £1,320,000 better than it was expected to be. The other receipts which have relieved the Treasury have come from borrowing, or the alienation of national property, which is an equivalent process.

In a very short time moreover the situation of the Treasury will be as bad as ever. The calculation for the close of 1869 is as follows:

Uncovered deficits of 1866 and previous years.....	£23,360,000
Deficit of 1867	6,200,000
Do 1868	2,760,000
Deficit as at 31st March last.....	12,520,000
Estimated deficit of 1869.....	4,190,000
Doubtful "arrears"	2,200,000
Advances to railways.....	4,000,000
Irrecoverable arrears of direct taxes	1,600,000
Total deficit at close of 1869	25,510,000

No doubt the Minister sees his way to the end of the present year—the floating debt being more than covered by the following sums :

Treasury obligations	£12,000,000
Debt to the bank.....	15,120,000
Total	£27,120,000

—while there is £1,200,000 more not reckoned to be derived from the sales of ecclesiastical property. There is sufficient justification for saying that everything this year is arranged for, including payment of the interest due on 1st January next. It is plain, however, that if any fresh disappointment takes place, or there is a new deficit next year, further measures will be needful to relieve the burden of the floating debt.

This is the real point of importance in Italian finance as of other nations in time of peace; and it is just on this point where the prospect is least satisfactory. The Minister, it is true, counts on a deficit of only £5,120,000 for the first year now unprovided for; or deducting the sum set aside for amortisation £2,720,000; but it is preferable to see in the first place what the last actual result has been. The Minister presents us with what he considers a final account for 1868, which shows a deficiency of revenue to meet expenditure of no less than £9,240,000, viz. :

Expenditure	£43,200,000
Receipts.....	33,960,000
Deficit	£ 9,240,000

The truth, we fear, is that the deficiency is really greater according to the strict mode of reckoning real revenue, but these are the Minister's own figures, and it will be safest to go by them. They are unfavorable enough. The danger of a maximum floating debt to a Treasury which spends £9,000,000 more than it gets on a revenue of £33,960,000 is apparent to every one. That the danger exists in a country which has been struggling for years to find new sources of revenue and cut down expenditure makes it almost hopeless to expect that the two ends will be made to meet and the floating debt kept from attaining dimensions which will compel insolvency.

The hopelessness or at least enormous difficulty of the problem may be otherwise shown. What the Minister calls "irreducible expenditure"—that is interest on debts, pensions, &c—amounts to very nearly two-thirds of the rack revenue of Italy. A nation of 25,000,000 inhabitants paying £20,720,000 of interest out of a revenue of £33,960,000 cannot be in a good way. That things should get worse, the interest of the debt gradually absorbing the entire revenue of the State, would be a probable enough contingency but for the increased difficulty of borrowing as such a time approaches which may make it impossible to pay the interest. The first necessity of a State is the maintenance of internal government, and when the margin of revenue left after paying the public creditor is so small as in Italy necessary expenses can only be paid out of fresh borrowings, which in turn aggravate the evil.

The Minister's main hopes for the future consist in the reduction of expenses and the increased yield of taxes—the former contributing £2,500,000 at once to the reduction of the deficit, and the latter the remainder of the amount during the next four or five years. With regard to the latter we should be inclined to think the Ministerial expectations not altogether unfounded—barring accidents. What he expects improvement from is—generally improved administration; the

improved assessment and collection of the direct taxes, a new cadastre being framed for the foncier tax, the most important of all; the increased yield of the multure tax, as it gets into full working order; and last of all, the progressive increase of the revenue with the increased industry and prosperity of the country. All these things Italy is likely enough to get. The improvement of the administration is going forward notwithstanding great resistance, the arrears of taxes becoming less, and the confusion incidental to the amalgamation of the various provinces, and changes in the incidence of the taxes, being overcome. Italy was no doubt far behind, but everything turns on success here, and strenuous efforts at least are being made to obtain that success. If not attained quickly, the financial evils will not be the greatest. As to the direct taxes the Italians are plainly following the almost perfect though somewhat expensive model of France, and after the lapse of some time—as the Minister admits—a considerable addition to the yield of these taxes may fairly be expected. The case as to the multure tax, again, is also clear, experience having shown that it is fully leviable in a certain way, though various circumstances, including the enormous anticipatory grinding, and the mode of levying it by licence, which was the first practised as we described last week, prevented it from yielding at first all that was expected. It cannot be said at least that the tax has failed; and till it does so Italian financiers may be pardoned for resting largely upon it. The progressive increase of the revenue, due to growing prosperity, seems likewise a legitimate enough expectation on the conditions laid down—that there are no accidents; few things being more remarkable than the elasticity of most European revenues in recent times and in ordinary circumstances.

We have not the same confidence in the expected diminution of expenses, just because Italy already spends little enough on administration and improvement. The figures for 1868 are:

Ordinary expenses.....	£16,560,000
Extraordinary expenses.....	4,820,000
Total.....	20,880,000

—which is not a large sum for 25,000,000 of people under a centralised Government and deficient in the ordinary appliances of civilization. How it is to be safely reduced by a million and a half on the first head and a million on the second, with all sorts of new demands starting up, it is difficult to understand. The Italian Government has not of late been more successful than its neighbors in keeping within estimates, and we must regard with some little scepticism the prospect of the expenditure of future years falling below the level of 1867 and 1868.

The proposals for covering the intermediate deficits which the Minister anticipates may be briefly dismissed, as it is yet too doubtful what his real needs may be. The sum he has to provide for he calculates roughly at £29,120,000, which includes however the debt of £15,000,000 to the Bank and £2,000,000 of Treasury obligations to be paid off; the deficits of 1870 and of successive years until equilibrium is attained being reckoned at £12,000,000. There will also be a further sum of £2,400,000 of interest in consequence of the measures he proposes—total, £31,520,000. His measures then are:—(1.) An anticipation of the sales of ecclesiastical property. (2.) The creation of two credit institutions

which will lend the State capital in consideration of their privileges. And (3.) A forced loan, besides one or two minor expedients. These are to yield respectively the following amounts:—

Operations on ecclesiastical property.....	£12,000,000
From credit institutions.....	4,000,000
Forced loan.....	12,500,000
Minor measures (including £2,400,000 anticipated repayments of railway bonds....)	2,700,000
Total.....	£31,500,000

—which is rather more than the total sum to be provided. The expedients themselves seem open to some question. 1. The unalienated ecclesiastical property is to be placed in the hands of a company which will advance the above sum of £12,000,000, partly by depositing a portion of its capital as a guarantee, and partly by lending to the Government upon “domanial” bonds. This company is also expected to benefit the country by making advances to the provinces and communes for the construction of roads, which does not look like a very profitable business, £5,040,000 is to be advanced when the society is formed—the remainder gradually. 2. The credit institutions are the National Bank and the Bank of Naples, which are to be the bankers of the Treasury, and are to deposit the above £4,000,000 in name of guarantee “without prejudice to the subventions which they are bound to make to the Treasury on simple request.” As the Italian Government however is getting rid of a debt of £10,000,000 to the bank, it cannot be said that its position will thus be made worse. 3. The forced loan is not very clearly explained. It is to be raised in four equal instalments spread over four years, that is four instalments of £3,200,000 each, and the contributors are to be the possessors of incomes exceeding £60 a year. The Minister calculates that it will be equivalent to an income tax of 6½ per cent for the years in question, with this difference—that government will be liable to repay it after 1881, and that in the meantime it will bear interest at the rate of 6 per cent. The scheme is ingenious, but one feels doubt as to whether the money can be got, or why it is that the Italian Government does not levy the greater part of the amount as a real income tax, which would do more than any other expedient to tide over present difficulties.

We have thus gone over the most important points of the Italian Minister's financial statement. While it is hardly possible to give too much praise to the assiduous labors of Italian public men, we confess that the impression left on our minds is that Italy can hardly pull through on the present line. To justify the hopes expressed everything must be given in favor of Italy. Expenses must be cut down, the administration must be improved, the revenue must yield more, the various financial combinations must realize what is expected, and at the end of ten years Italy must be prosperous enough to sustain the equilibrium without any more expedients. Is it likely that any country will be so lucky even though no catastrophe like foreign war should throw its weight into the opposite scale?

The following table of the accounts of 1867 and 1868 and the estimates of 1869 and 1870 is given by the Italian Minister in his speech; and shows very well two things—the progress of the irreducible expenditure during the past

years, and the smaller amount of the anticipated compared with the realized deficits :—

EXPENDITURE.				
	1867.	1868.	1869.	1870
Irreducible expenditure.....	£19,360,000	£20,700,000	£20,160,000	£21,210,000
Amortisation	1,480,000	1,600,000	2,000,000	2,400,000
Ordinary expenses.....	16,700,000	16,560,000	14,880,000	15,010,000
Extraordinary do.....	3,400,000	4,320,000	3,410,000	3,400,000
	<u>41,600,000</u>	<u>43,200,000</u>	<u>41,080,000</u>	<u>42,080,000</u>
RECEIPTS.				
Ordinary	£31,520,000	£31,440,000	£33,560,000	£35,710,000
Extraordinary.	1,760,000	2,520,000	3,300,000	1,210,000
	<u>33,280,000</u>	<u>33,960,000</u>	<u>36,920,000</u>	<u>36,960,000</u>
Deficits.....	8,320,000	9,240,000	4,160,000	5,120,000

RAILROAD ITEMS.

AUCTION SALE OF A RAILROAD IN NEW ORLEANS—The sale of the New Orleans, Opelousas and Great Western Railroad took place on Tuesday, May 25, by virtue of an order from the United States Circuit Court, under the auspices of ex-United States Marshal F. J. Herron. The principal interests represented were the Illinois Central Railroad, the Mobile and Chattanooga Railroad, the bondholders of the road, and Charles Morgan. The first bid was \$1,000,000, the next \$1,500,000. The bids then proceeded by hundreds of thousands to \$2,000,000, which was bid by Mr. Paul Blanc in behalf of the bondholders of the road, to which amount he was limited. C. A. Whitney, representing Charles Morgan, bid \$2,050,000, at which amount it was knocked down after a moment's pause, and \$75,000 immediately paid as a guarantee. Mr. Whitney announced that it was the intention of Mr. Morgan, who was present in person, to immediately set about extending the road to the Sabine. The actual sale occupied barely ten minutes. Mr. Morgan, the purchaser of the road, in a long public communication, announces his readiness to co-operate with the business men of Texas, Louisiana, New Orleans, or any other section of the country interested, in extending the Opelousas Railroad to Texas by the most eligible route, and proposes that a new corporation be formed to obtain the remaining franchises of the New Orleans, Opelousas and Great Western Railroad, with a cash capital of \$4,000,000, of which he will himself take and pay cash for \$2,000,000 of the stock, provided the same amount be raised by the other parties interested. He further announces his intention to put the road already completed in perfect repair—if necessary, making a double track.

FORT WAYNE LEASE.—Of this the *New York Tribune*, May 28, says: The lease of the Fort Wayne Road to the Pennsylvania Central Road, was formally ratified to-day at Philadelphia by the Directors of both roads. The Directors of the Pennsylvania Central acted under instructions, but the Fort Wayne Directors will take a vote of the stockholders before the matter is finally settled. This, however, is a matter of form, as the vote will be almost unanimous in favor of the lease. The terms are as follows: The Fort Wayne Road receives 12 per cent upon the present capital stock of the company, free of Government tax, payable quarterly, the Pennsylvania Central Road guaranteeing the bonds of the company, keeping the road and its equipments in repair. The lease is perpetual, and the stockholders of the Fort Wayne Road now have a security guaranteed by the wealthiest corporation in this country, and beyond the contingencies of Wall street manipulations. The Directors of the Fort Wayne Road have discussed the subject of increasing their stock, and have about decided upon making a scrip dividend of $7\frac{1}{2}$ per cent, which would make exactly 7 per cent upon the increased capital. The lease goes into effect upon the 1st of July, and the Fort Wayne road have their earnings for the half year, as well as the money to be received from the sale of the supplies now on hand. The surplus cash will be divided and will probably amount to 10 per cent, although it cannot of course now be definitely stated. The stock of the Fort Wayne will now disappear from Wall street, and be held by estates as an investment, being a perpetual 7 per cent security free of Government tax. It will supply a want that has always been felt by executors and trustees of estates. A meeting of the Directors of the Fort Wayne road will be held on Saturday to decide as to the scrip dividend.

TOLEDO, WARREN AND WESTERN RAILROAD.—This Company has notified the Stock Exchange, as under the rules of the Exchange they are bound to do, thirty days in advance that in consequence of their consolidation some months since with the Decatur (Illinois) and St. Louis road, their Common Capital is to be increased \$1,612,500 on this account, and also \$2, 8 ,500 for new construction, equipment and grain elevators (the latter at Toledo), so that the Capital, exclusive of a small amount of original Preferred Stock, is to be increased to \$4,500,000.

—On the main line of the St. Paul and Pacific road there are now nearly 1,000 men at work. They are grading at the rate of a half mile of the road per day, and have eight miles of road ready for iron. The cars are now running to Smith's Lake, six miles west of St. Paul, and they will commence to lay the iron from there to Moore's Prairie, which point they will reach in a few days. This carries the road through the Big Woods. The ties are all out and ready for the ninety miles, and the iron for the same is in St. Paul and on the way there. It is expected the cars will be running over a completed road 160 miles West of St. Paul before the snow flies.

—The certificate of incorporation of the Straitsville and Hocking Valley Railroad Company was filed at the Ohio Secretary of State's office on Friday. The main line of the proposed route is to extend from Straitsville, in Perry County, to a point in Athens County, at or near the aqueduct at the mouth of Monday Creek. The branches are to extend to Nelsonville, in Athens county, and points near that place, and to Logan, in Hocking County, and other points in the coal region. The capital stock is \$200,000, in shares of \$50.

—The Directors of the Chicago and Northwestern Railroad have given notice to the New York Stock Exchange that they have sold one and a half millions of the preferred stock at 105, or par, ex. the June dividend. This stock was issued to represent 10 per cent equipment bonds that have been paid off by the company, and additional equipments placed upon the road. This was subscribed for by the directors, and three times the amount was bid for, although the nominal price in the street was $1\frac{1}{2}$ per cent less at the time the stock was taken.

PUBLIC DEBT OF THE UNITED STATES.

STATEMENT COMPARING THE RETURN, FOR MAY 1 AND JUNE 1, 1869.

DEBT BEARING COIN INTEREST.

Character	May 1.	June 1.	Increase.	Decrease
6s, Bonds	\$30,000,000	\$30,000,000	\$.....	\$.....
6s, " "	7,022,000	7,022,000	.....	.....
6s, B'ds of "	18,415,000	18,415,000	.....	.....
6s, " "	145,000	145,000	.....	.....
6s, " of J	189,817,401	189,817,401	.....	.....
6s, " M	514,771,600	514,771,600	.....	.....
6s, " J	75,000,000	75 0 0,000	.....	.....
6s, " M	194,557,300	194,557,300	.....	.....
6s, " N	189,443,800	189,443,800	.....	.....
6s, " J	332,908,960	332,908,960	.....	.....
6s, " N	203,877,350	203,877,350	.....	.....
6s, " J	879,581,050	879,581,050	.....	.....
6s, " J	42,539,350	42,539,350	.....	.....

DEBT BEARING LAWFUL MONEY INTEREST.

2s, Certificates (demand).....	\$51,440,000	\$51,075,000	.....	\$365,000
2s, Navy Pension Fund	14,000,000	14,000,000	.....	.....

DEBT ON WHICH INTEREST HAS CEASED SINCE MATURITY.

6s, Bonds of 1862, '67, '68.....	\$148,000	\$132,100	.....	\$15,900
5s, Bonds (tax indemn) 1864.....	352,000	34,000	.....	318,000
Treasury notes prior to 1857.....	01,500	14,512	.....	.....
" " since 1867.....	800,492	851,192	.....	50,700
6s, Certificates of indebtedness	10,000	12,000	.....	.....
6s, Comp'd int. notes '67 & '68....	2,097,000	2,935,150	.....	838,150
Temporary loan.....	18,510	18,510	.....	.....
7-30s, 3 year notes ('67 & '68).....	1,800,800	1,407,100	.....	393,700

DEBT BEARING NO INTEREST.

Demand notes.....	\$122,812	\$122,812	.....	.....
U. S. Legal Tender notes.....	355,941,092	355,936,431	.....	\$4,661
Postal & fractional currency.....	85,350,523	28,462,523	.....	56,888,000
Gold Certificates.....	16,307,200	22,840,720	\$7,533,520	.....

RECAPITULATION.				
Debt bearing coin interest.....	\$2,107,878,700	\$2,107,882,100	\$8,400	.....
“ b’ring lawful money int.....	67,240,000	67,075,000	.....	\$165,000
“ on which int. has ceas’d.....	5,702,114	5,421,864	.....	280,250
“ bearing no interest.....	407,721,368	412,852,287	5,130,919	....
Aggregate principal debt.....	\$2,588,542,182	\$2,593,231,251	\$1,689,069	.....
Coin interest accrued.....	45,066,185	38,478,562	.....	\$6,589,623
Lawful money int. accrued.....	1,071,700	1,286,500	164,800	.....
Int. accrued on matured debt.....	353,621	726,340	372,719	.....
Aggregate debt & int. accru’d.....	\$2,635,033,688	\$2,633,670,653	.....	\$1,863,085
Deduct amount in Treasury:				
Coin belonging to Governm’t.....	\$92,031,783	\$81,889,469	.....	\$10,192,264
Coin for which certificates.....	.....	.....	.....	.....
are outstanding	16,307,200	23,340,720	7,033,520	.....
Currency.....	7,896,564	19,934,555	12,037,991	.....
Sink’g fund in coin, b’d’s & int.....	.....	3,093,296	3,093,296	.....
Total coin & cur’y in Treas’y.	\$116,235,497	\$128,258,040	\$12,022,543	.....
Debt less coin and currency.....	\$2,518,798,191	\$2,505,412,613	.....	\$18,885,578

BONDS ISSUED TO UNION PACIFIC RAILROAD AND BRANCHES.				
(Under acts of July 1, 1862, and July 2, 1864: principal payable in 30 years after date, and interest semi-annually, in January and July, both in lawful money)				
62, Union Pacific Railroad.....	\$25,998,000	\$25,998,000	.....	.....
64, Union Pacific (E.D) R.R.....	6,803,000	6,803,000	.....	.....
63, Sioux City & Pacific R.R.....	1,628,820	1,628,820	.....	.....
63, Central Pacific R.R.....	21,003,000	22,789,000	1,786,000	.....
63, Central Branch (Kansas).....	1,600,000	1,600,000	.....	.....
63, Western Pacific R.R.....	820,000	820,000	.....	.....
Total amount issued.....	\$56,852,820	\$58,638,820	\$1,786,000	.....
The interest account on which stood as follows:				
Interest accrued not yet paid.....	\$1,130,369	\$1,436,098	\$305,729	.....
Interest paid by U. S.....	3,810,033	3,810,053	.....	.....
Interest repaid by transportation, mails, &c.....	1,380,483	1,411,188	30,750	.....
Balance of interest due U. S.....	3,059,984	3,834,968	274,979	.....

COMMERCIAL CHRONICLE AND REVIEW

Monetary Affairs—Rates of Loans and Discounts—Bonds sold at New York Stock Exchange Board—Price of Government Securities at New York—Course of Consols and American Securities at New York—Opening, Highest, Lowest and Closing Prices at the New York Stock Exchange—General Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.

The money market during the month of May worked steadily, and the uniform rate on call loans at bank and among private lenders was seven per cent. Favored borrowers who offered government bonds as collateral were, in exceptional instances, accommodated at six per cent. This firmness in rates was chiefly supported by the demand from the stock brokers, incident to the enlarged business and heavy speculation in railway and miscellaneous securities at the Stock Exchange. The demand for accommodation from the mercantile class was rather under the average, general trade having been dull. The movement of currency to and from this centre was small, but rather in favor of the city banks; these institutions were also strengthened in their legal reserve by the Treasury sales of gold; the payment of the same have chiefly been in National Bank notes, with which the banks were very willing to part.

The month has been an eventful one at the Stock Exchange where prices have advanced on the active stocks to figures never before reached. Two grand schemes of consolidation have been developed. The first, that known as the Vanderbilt consolidation, which has in view a union of the Hudson River, New York Central, Buffalo and Erie, Lake Shore, and Michigan Southern Railroads, thereby forming a continuous and harmonious line between New York and Chicago; and the second that of the Pennsylvania Railroad Company, which has

virtually extended its line to Chicago by a perpetual lease of the Pittsburg, Fort Wayne and Chicago Railroad. Negotiations are also pending between the Pennsylvania and the New Jersey Central Railroads for a lease of the latter to the former, which would give the first named a perfect and unbroken line from New York to Chicago. On these two schemes has hinged the entire speculation.

The total transactions at the Stock Exchange during the month amount to 1,696,439 shares, against 1,278,271 for the corresponding month last year.

Classes.	1868.	1869.	Increase.	Dec.
Bank shares ..	2,258	2,209	956	.....
Railroad "	939,845	1,367,401	618,056	.....
Coal "	5,815	8,809	.....	1,506
Mining "	49,715	38,014	.....	11,701
Improv't "	16,015	28,590	12,575	.....
Telegraph "	35,957	12,092	.....	23,865
Steamship "	131,005	74,512	.....	96,993
Expr'ss &c "	98,168	18,812	.....	79,354
Total—May	1,278,271	1,696,439	418,168	.....
Since January 1..	9,134,495	7,022,488	.....	2,111,607

Government bonds were strong throughout the month, prices having been sustained by a moderate demand for export, and by the purchases of the Treasury Department. The volume of business has been large, as will be seen by the following tables :

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	Inc.	Dec.
U. S. bonds	\$21,621,050	\$24,451,100	\$2,830,050	\$.....
U. S. notes	4,830,800	.....	.....	4,830,800
St'e & city b'ds	8,799,100	5,817,800	1,558,700	.....
Company b'ds ..	718,000	2,842,149	2,124,149	.....
Total—May	\$30,928,950	\$33,611,049	\$1,682,099	\$.....
Since January 1.....	121,923,550	151,550,800	29,656,759	.....

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of May, as represented by the latest sale officially reported, are shown in the following statement :

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	—6's, 1861.—	—6's, (5-20 yrs.) Coupon—	5's, 10-40
	Coup. Reg.	1862. 1864 1865, new '67. '63. y's Crp	
1.....	118%	..... 117% 113% 116% 116% ... 10%	
3.....	119	..... 11% 114% 115% 116% 116% 10%	
4.....	119%	119 118% 111 115% 116% 116% 10%	
5.....	.....	118% 118% 115% 116% 116% 10%	
6.....	119%	..... 114 115% 11 % 1 6% 116% 10%	
7.....	118%	..... 117% 113% 114% 115% 115% 115% 10%	
8.....	118	..... 118% 116 116% 11% 10%	
10.....	119%	..... 119% 115% 116% 117% 117% 117% 10%	
11.....	119%	..... 119 115% 116 117% 117% 10%	
12...	120	120 119% 115% 116% 117% 117% 10%	
13.....	.....	119% 116 116% 118% 11% 118 10%	
14.....	121	120% 120% 116% 116% 118% 118% 10%	
15.....	.....	..... 116 116% 118% 11% 10%	
17.....	122	..... 121% 116% 11% 119 119 10%	
18.....	122%	..... 122 117 118 120 120 119% 10%	
19.....	123%	..... 123% 117% 11% 120 120 120% 10%	
20.....	123%	..... 123% 117% 119% 119% 120% 120% 110	
21.....	123%	..... 123% 117% 120 120 120 10%	
22.....	123%	..... 123% 117% 119% 120% 120% 120% 10%	
24.....	121%	122% 12 % 118% 119% 119% 120 10%	
25.....	.....	..... 122% 116% 119% 120% 119% 119% 10%	
26.....	.....	..... 122 115% 11% 118% 118% 10%	
27.....	120%	120% 122 116% 118% 119% 119% 119 10%	
28.....	121%	120% 123% 116% 118% 119% 119% 10%	
29.....	122	121% 123% 117 118% 119% 119% 115% 10%	
31.....	122	12 % 122% 117% 118% 120 120 10%	
First..	118%	119 117% 118% 115% 116% 116% 116% 108%	
Highest	123%	122% 123% 117% 119% 120% 120% 120% 110	
Lowest	118	118% 117% 118% 114% 115% 115% 115% 107%	
Last.....	122	121% 122% 117 118% 120 120 119% 109%	

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities quoted at the New York Stock Exchange during the months of April and May, 1869:

Railroad Stocks—	April				May			
	Open.	High.	Low.	Close.	Open.	High.	L. w.	Close.
Alton & Terre Haute.....	38	39½	38	39½	39	40	39	38
do " " pref.....	65½	67½	65½	67	69	71½	63	63
Chicago & Alton.....	149½	162	149	161½	161	161	156	158
do do pref.....	150	16½	150	161½	160	161	15½	160
Chicago, Burl. & Quincy.....	173	175	172	175	180	199	180	199
do & Northwest'n ..	64	87½	83	87	86½	94	85	91
do do pref.....	98½	9½	91½	98½	93½	106½	96½	104½
do & Rock Island.....	128	139	123	137½	138	13½	125	125½
Columb., Chic. & Ind. C.....	42	49	33½	48½	46	47	41½	48½
Clev. & Pittsburg.....	86½	94	86½	92½	93½	99½	94	99½
do & Toledo.....	97	97	96½	9½	98	95½	88½	75½
do Col., Cin & Ind.....	65	79	64½	68	63½	75½	68½	75½
Del., Lack & Western.....	114	116	113	115½	116	119½	116	119
Desuque & Sioux city	116	116	114½	1.6	116½	116½	110	109
Harlem	135½	150	135	160	151½	159	146½	161½
do " " pref.....	145	150	145	150	145	150	145	150
Hannibal & St Joseph.....	114½	119	114	116	115	120	114½	120
do do pref.....	118	114	113	113	114½	119½	113½	119½
Hudson River	140	150	138	156	158	164½	159	157½
Illinois Central	139	145½	139	144	145	148	145	148½
Joliet & Chicago.....	95	95	95	95	.....	.....	.....	.....
Long Island	48	46	46	46	.....	.....	.....	.....
Lake Shore	97	106½	97	12½	108½	117	101	117
Mar. & Cincin., 1st	23½	28½	20½	21	21	28	21	24
do " " 2d	8½	8½	8½	8½	8	9	8	8½
Michigan Central	118½	121	118½	121	128	129½	126	128
do S. & N. Ind.....	95½	12½	95½	103½	103½	118½	108	119½
Milwaukee & St. Paul.....	79	81	61½	9	78½	79½	75½	79½
do do pref.	60½	89	60	86½	87½	91½	85	91
Morris & Essex.....	18	59½	57½	60½	91	91	90	91
New Haven & Hartford.....	200	200	200	200	210	210	210	210
New Jersey	124	126	124	124	127	127	127	127
do Central.....	108½	119	108	111½	111½	121	111	116½
New York Central	161½	175½	159½	175	177½	194½	17½	189
do & N. Haven	120	121	120	121	120	140	130	140
do do scrip.....	.....	.....	.....	.....	120	125	120	125
Norwich & Worcester.....	100	104	100	104	104	106	104	105
Ohio & Mississippi	33	34½	32½	33½	33½	36½	33½	35½
do do pref.....	76	76	75	76	76½	79½	76½	79½
Panama	325	330	325	325	325	325	300	300
Pittsb., Ft. W. & Chica.....	124½	129	123	123½	140	159½	140	158½
Reading	91	97½	91	97½	96½	101½	95	99½
R. me. W. & Ogdensb'g .....	.....	.....	.....	.....	120	125	120	125
Stoughton	88	88	88	88	.....	.....	.....	.....
Toledo, Wab. & Western.....	87	73½	63½	78½	78½	78½	73	77½
do do do pref	77½	80	77½	79	79	82½	79	82½
Miscellaneous—								
American Coal	40	40	40	40	.....	.....	.....	.....
Central	6½	6½	6½	6½	6½	6½	6½	6½
Cumberland Coal.....	80	85	80	80	80	85	80	85
Del. & Ind. Canal Coal.....	120½	120	120½	120	120	124	120	125½
Spring Mountain Coal.....	44	44	44	44	.....	.....	.....	.....
Wilkesbarre Coal.....	.....	.....	.....	.....	35	45	35	45

Atlantic Mail.....	29	29	29	29	....	....	....	....
Pacific Mail	89%	9 1/2	89%	94%	93	95%	89%	61%
Boston Water Power ...	16	17 1/2	16	36	16	17 1/2	16	16%
Canton	59	63	59	62	63%	65%	62%	64
Brunswick City....	9 1/2	9 1/2	9 1/2	9 1/2	9	9	8 1/2	8%
Mariposa	19	23	18 1/2	20	21	24%	15%	20%
do pref.....	34	44%	34	41	43%	53	43%	34%
Quicksilver.....	30	23%	20	21	20	21%	14	14
West Union Telegraph.....	39 1/2	43%	39	43%	43%	44%	41	43 1/2
Manhattan Gas .....	....	....	....	....	290	290	290	290
Bankers & Brokers Ass.....	....	....	....	....	100	100	100	100
Express—								
American M. Union.....	40%	43	39%	44%	41	41	38%	39
Adams	58	63	58%	62	63	63	59	60
United States	56	63	56	62	63	63	63	64%
Merchant's Union	15 1/2	16	15	16	15 1/2	16	14 1/2	14%
Wells, Fargo & Co.....	30%	37%	30%	36	35%	36%	31%	31%

The gold premium has fluctuated widely during the month. The rise to 144 was immediately due to the failure of Schepler & Co., who were heavily short of gold, and were unable to make good their contracts. This house had occupied a leading position in banking and foreign exchange circles, and were also at one

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK.

	1903.	1902.	Increase.	Decrease.
Receipts from California.....	2,524,895	1,635,958	....	888,937
Imports of coin and bullion.....	430,083	342,164	....	187,919
Coin interest paid.....	17,052,375	12,681,439	....	4,370,936
Total reported supply.....	\$30,007,783	\$14,660,561	\$.....	\$15,347,222
Exports of coin and bullion.....	\$16,225,980	\$11,512,348	—	\$4,713,632
Customs duties	10,004,178	10,634,613	25,437	..
Total withdrawn.....	\$26,230,158	\$22,146,961	\$.....	\$4,083,197
Excess of withdrawals.....	\$5,878,373	\$.....	\$.....	\$5,878,373
Excess of reported supply.....	.....	2,178,000	2,178,000	.....
Specie in banks increased.....	1,004,215	2,000,000	2,995,785	.....
Derived from unreported sources.....	\$5,571,558	\$5,436,966	\$.....	\$134,592

The following exhibits the quotations at New York for bankers 60 days bills in the principal European markets daily in the month of May, 1869:

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin cents for thaler.
May 1.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 2.	109 1/2 @ 108 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 3.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 4.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 5.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 6.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 7.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 8.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 9.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 10.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 11.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 12.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 13.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 14.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 15.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 16.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 17.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 18.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 19.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 20.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 21.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 22.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 23.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 24.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 25.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 26.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 27.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 28.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 29.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 30.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 31.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 1869.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
May 1868.	109 1/2 @ 109 1/2	51 1/2 @ 51 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Condition of National Banks—Returns of the New York, Philadelphia and Boston Banks.

Abstract of the reports made to the Comptroller of the Currency, showing the condition of the National Banks in the United States at the close of business on the 17th day of April, 1869:

RESOURCES.

Cash and discounts	\$658,794,546 6
Overdrafts	2,848,950 05
United States bonds to secure circulation	887,789,750 00
United States bonds to secure deposits	29,651 8 0 0
United States bonds and securities on hand	20,504,900 00
Real estate, stocks, bonds and mortgages	20,031,276 51
Due from redeeming agents	57,525,918 92
Due from National banks	80,520,82 63
Due from other banks and bankers	7,908,732 41
Real estate, furniture and fixtures	23,753,192 97
Prepaid expenses	5,626,143 31
Due from	1,658,617 91
Stocks and other cash items	153,979,920 11
Due from National banks	11,719,818 00
Due from other banks	120,790 00
Due from currency	2,046,722 71
Due from	9,843,768 06
Due from notes	80,672,728 00
Unpaid interest notes	40,830 00
Due per cent certificates	51,155,000 00
Total	\$1,516,302,943 19

LIABILITIES.

Capital stock	\$420,368,720 50
Surplus fund	82,033,414 19
Undivided profits	87,402,918 38
National bank notes outstanding	2,615,387 00
Other bank notes outstanding	292,202,598 00
Deposits	547,712,627 72
United States deposits	10,033,861 76
Deposits of United States disbursing officer	3,584,953 66
Due to National banks	92,661,203 03
Due to other banks and bankers	22,701,405 83
Due to and bills re-discounted	244,819 11
Due payable	1,860,918 26
Total	\$1,516,302,943 19

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.	Ag. clear'gs.
January 2....	\$259,090,037	\$20,736,122	\$34,379,009	\$180,490,445	\$18,596,421	\$55,017,790
January 9....	258,792,562	21,384,790	34,344,556	187,908,539	51,141,128	70,772,051
January 16...	262,838,831	20,278,526	34,279,153	195,484,843	52,927,083	675,756,511
January 23...	264,954,659	28,864,197	31,265,956	197,101,163	51,022,119	671,531,542
January 30...	265,171,109	27,784,923	34,231,556	196,985,462	54,747,569	669,302,266
February 6...	266,541,732	27,939,404	34,246,436	196,602,899	53,424,133	670,229,479
February 13..	264,880,467	31,854,831	34,263,451	192,977,860	52,884,952	664,754,499
February 21..	263,428,064	23,371,391	34,247,321	187,612,546	50,997,197	70,991,049
February 27..	261,371,697	20,832,603	34,247,981	185,216,175	50,885,054	529,771,212
March 6....	262,089,883	19,456,634	34,275,835	182,604,437	49,145,569	727,188,131
March 13.....	261,169,695	17,353,671	34,690,445	172,392,458	49,639,623	674,772,376
March 20.....	263,098,302	15,213,306	34,741,310	183,504,999	50,774,874	730,711,003
March 27.....	263,909,549	12,073,723	34,777,814	180,113,910	50,555,103	797,247,426
April 3.....	261,933,675	10,777,889	31,816,916	175,325,749	48,496,359	837,236,931
April 10.....	257,150,227	8,724,443	34,609,360	171,495,500	48,644,702	810,165,453
April 17.....	255,184,882	7,811,779	34,486,764	172,203,494	51,001,883	772,303,244
April 24.....	257,453,074	8,850,760	34,000,551	177,310,080	54,677,698	752,905,786
May 1.....	260,435,160	9,267,655	33,972,053	183,948,565	56,496,723	753,765,349
May 8.....	263,486,872	16,081,459	33,946,150	19,838,87	55,109,573	91,174,577
May 15.....	269,494,847	15,374,69	33,977,793	199,392,449	56,501,256	861,720,836
May 22.....	270,275,952	16,429,404	33,921,326	199,414,869	57,838,143	788,717,222
May 29.....	274,935,461	17,871,230	33,920,855	203,055,600	57,810,373	782,646,491

PHILADELPHIA BANK RETURNS.

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.....	\$51,716,999	\$352,483	\$18,210,397	\$38,121,023	\$10,593,719
January 11.....	51,642,237	544,691	13,494,109	38,768,511	10,549,372
January 18.....	52,122,733	478,462	13,729,493	39,625,158	10,596,569
January 25.....	52,537,015	411,847	14,054,470	39,585,462	10,542,914
February 1.....	52,632,813	322,782	14,216,570	39,677,943	10,544,351
February 8.....	53,039,716	311,001	13,795,595	40,080,399	10,546,353
February 15.....	52,929,891	204,681	13,573,043	38,711,575	10,842,238
February 22.....	52,476,146	211,307	13,208,607	37,990,966	10,488,546
March 1.....	52,251,351	256,933	13,010,508	37,785,205	10,453,346
March 8.....	52,232,000	297,867	13,358,201	38,293,956	10,458,959
March 15.....	51,911,542	277,517	13,028,217	37,571,582	10,492,021
March 22.....	51,328,419	225,097	12,765,759	38,960,009	10,461,404
March 29.....	50,597,100	210,644	13,031,315	38,663,344	10,472,439
April 5.....	50,499,868	199,008	12,169,221	35,875,854	10,622,466
April 12.....	50,770,193	181,246	12,643,357	36,029,133	10,621,166
April 19.....	51,178,371	167,818	12,941,783	37,031,747	10,634,425
April 26.....	51,294,222	164,261	12,640,063	37,437,286	10,634,497
May 3.....	51,510,983	201,753	14,200,371	38,971,231	10,671,213
May 10.....	51,936,530	270,525	14,624,803	39,178,803	10,617,294
May 17.....	52,168,526	276,167	14,696,363	40,602,742	10,714,413
May 24.....	52,361,764	174,115	15,087,006	41,041,410	10,612,246
May 31.....	52,210,874	183,367	15,484,947	42,247,319	10,633,391

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.....	\$98,423,644	\$2,203,401	\$12,928,831	\$37,538,767	\$35,151,345
January 11.....	100,727,007	3,075,844	12,864,700	38,032,891	25,274,617
January 18.....	102,205,209	2,677,658	12,922,327	39,717,193	25,243,233
January 25.....	102,959,943	2,394,710	13,228,874	39,557,747	25,272,300
February 1.....	103,696,452	2,161,264	12,464,225	40,278,463	25,312,917
February 8.....	104,342,425	2,073,906	12,452,795	39,693,807	25,220,067
February 15.....	103,215,044	1,845,534	11,642,656	37,759,702	25,352,129
February 23.....	102,252,632	1,545,418	11,460,790	36,323,814	25,304,033
March 1.....	101,309,539	1,224,934	11,200,149	35,489,466	25,301,377
March 8.....	101,425,932	1,297,599	10,926,972	35,525,689	25,245,377
March 15.....	100,820,803	1,277,315	10,569,188	34,051,715	25,351,654
March 22.....	99,553,819	1,330,864	10,490,448	33,641,057	24,559,313
March 29.....	99,670,945	937,769	11,646,223	32,930,420	24,254,167
April 5.....	96,969,714	662,376	11,943,884	32,604,099	24,671,716
April 12.....	99,625,473	759,160	11,391,519	34,392,377	25,236,729
April 19.....	99,115,750	639,460	11,419,936	34,257,071	25,351,814
April 26.....	98,471,711	617,435	12,361,827	35,302,203	25,219,751
May 3.....	100,127,411	708,968	12,352,113	36,735,742	25,291,000
May 10.....	100,535,542	1,367,749	12,512,472	37,457,897	25,321,522
May 17.....	101,474,527	1,134,486	12,688,527	38,708,204	25,412,683
May 24.....	102,042,181	934,500	13,191,542	39,847,831	25,390,399
May 31.....	102,512,376	772,397	12,696,857	38,403,694	25,173,222

THE

MERCHANT'S MAGAZINE

AND

COMMERCIAL REVIEW.

EDITED BY

WILLIAM B. DANA;

VOLUME SIXTY-ONE,

FROM JULY TO DECEMBER, INCLUSIVE, 1869.

New York :

W. B. DANA, PUBLISHER AND PROPRIETOR,
79 & 81 WILLIAM STREET.

1869.

ALPHABETICAL INDEX

TO SUBJECTS CONTAINED IN THE

MERCHANTS' MAGAZINE & COMMERCIAL REVIEW

VOLUME LXI.

FROM JULY TO DECEMBER, BOTH INCLUSIVE.

EDITED BY WILLIAM B. DANA.

	PAGE		PAGE
A.		Chicago, Burlington & Quincy.....	148
Africa, trade with the colored races of.	16	Chicago, Rock Island & Pacific.	65, 133
Agricultural statistics of the United Kingdom	108	Chicago and Alton Railroad.....	485
Arkansas, debt and finances of....	382	Chinese, immigration of the....	213, 214
B.		Cincinnati, Richmond & Chicago Railroad	454
Bank Convention.....	37	Cincinnati, Hamilton & Dayton Railroad	453
Bank Returns of the United States April.....	50	Coal, and the tariff.....	169
Bank returns, condition of, in April.	48	Cotton Crop Statement.....	294
Bank returns of New York, Philadelphia and Boston, 79, 157, 237, 317, 397, 499		Cotton, cultivation and production, 366, 191	
Bank notes, redemption of.....	97	Cotton Manufacturers' Association, report of	378
Bank statement for June.....	178	Cotton, consumption and stock of ..	71
Banks of United States, returns for June.....	205	Cotton, future production of	85
Boston bank returns, weekly, 80, 158, 237, 318, 398, 476		Cotton, gold price for.....	371
Breadstuffs movement.	95, 275	Cotton, consumption of in Europe... 377	
Breadstuffs in the west.....	99, 101	Commercial condition of the country.	1
C.		Commercial Chronicle and Review, 74, 153, 232, 313, 392, 464	
Canada railways.....	148	Consols, price each day	75, 155, 394
Canada, independence of.....	320	Crime and Pauperism as affecting Material Prosperity.....	339
Canada, the reciprocity movement .	428	D.	
Canal vs. Railroad.....	179	Debt of the United States, Monthly Statement.....	73, 152, 223, 383
Central National Bank defalcation. .	126	Debt of United States and the Reduction of.....	143
Chicago & Northwestern Railroad..	187		

	PAGE		PAGE
Debt of United States and Interest		III.	
Payments.....	174	Marietta & Cincinnati Railroad...	62, 187
Debt Finances of New Hampshire..	180	Michigan Central Railroad.....	148, 201
Debt Finance of Arkansas.....	382	Minnesota Railroads.....	149
Debt Finances of North Carolina....	384	Mississippi Bridge and our Internal	
Debt of Tennessee.....	385, 448	Commerce.....	279
Defalcation of the Central National		Missouri Pacific Railroad.....	452
Bank.....	126	Mobile & Montgomery Railroad....	224
		Money market, future of, 35, 45, 128, 167	
IV.			
East Tennessee & Georgia Railroad.	389	N.	
Evansville & Crawfordsville Rail-		New York, Foreign Commerce of....	68
road.....	459	New York Banks, returns weekly, 79,	
Exchange, Rates of each day, 79,		157, 237, 317, 397	
157, 237, 317, 396		New York Central & Hudson River	
V.		Railroad, terms of consolidation .	451
Financial Outlook.....	35, 45, 128, 167	New Jersey Railroads.....	149
Financial Question, Repudiation, &c.	420	New Hampshire Debt and Finances	
Floating Capital and New Loans....	481	of.....	129
Foreign Loans, objections to.....	366	Northwest and the Breadstuffs Move-	
		ment.....	99, 101
VI.		North Carolina, debt, &c.....	384, 450
General Movement of Coin and Bul-		North Carolina Railroads.....	387
lion at New York in October, 1869	450		
Georgia Railroad & Banking Com-		P.	
pany.....	62	Pennsylvania State Debt.....	450
Georgia Railroads.....	148	Philadelphia Bank Returns, weekly, 80	
Gold Movement.....	42	158, 238, 318, 397	
Gold, movement of coin and bullion		Prices of Gold, Stocks, Bonds, &c., see	
monthly.....	78, 348	"Gold," "United States Bonds,"	
Gold, prices each day of month, 79,		"Railroad Shares," &c.	
156, 235, 396, 315		Purchases of Government Bonds, 344, 368	
Gold Cliques and the Crisis.....	342, 346		
Gold, price for cotton.	371	III.	
Great Britain, trade of.....	56	Railroad Liability, for taking extra	
Great Britain, annual savings of....	61	fare.....	260
VII.		Railroad vs. Canal.....	179
Hartford & New Haven Railroad...	388	Railroad, Chicago & North Western.	181
Hog Crop and its products.....	447	Railroad, Marietta & Cincinnati. ...	187
Hudson River Railroad, liable for ex-		Railroad, Michigan Central	148, 201
tra fare.....	360	Railroad Earnings, monthly, 41, 217,	
		284, 349	
VIII.		Railroad Progress.....	282
Immigration.....	40	Railroad Analysis, Marietta & Cincin-	
Income and Savings of England....	61	nati.....	62
Indiana Railroad Law.....	65	Railroad Report, Georgia Railroad	
Interest, rate of... 74, 158, 232, 313,	392	and Banking Company.	63
India, railways of.....	159	Railroad Report, Kansas Pacific, 64,	
Iowa Railroad Returns....	148	67, 391	
Iron Rails, export from Great Bri-		Railroad Statement, Annual, Chicago,	
tain.....	147	Rock Island & Pacific.	65, 133
Isthmus of Tehuantepec, route across.	138	Railroad Law of Indiana.....	63
		Railway, West Wisconsin.....	66
IX.		Railroad Shares, prices of each month	
Jeffersonville, Madison & Indianapo-		77, 156, 236, 316, 395	
lis Railroad.....	390	Railroad Analysis, Toledo, Wabash	
		and Western.....	101
X.		Railroad Report, Chicago, Burlington	
Kansas Pacific Railroad.....	64, 67, 391	and Quincy.....	144
		Railroad Casualties.....	351
XI.		Railroads of Canada.....	148
Louieville Convention.....	354	Railroads of Georgia.....	141
Louieville, Cincinnati & Lexington		Railroads of New Jersey....	149
Railroad	276		

	PAGE		PAGE
Railroad, North Carolina.....	387	Transportation of Breadstuffs.....	874
Railroad, Jefferson, Madison & Indianapolis.....	390	Taxation, Reduction of.....	358
Railways of India.....	160	Trade Prospects in United States...	1
Railroads of Iowa ..	148	Trade of Great Britain.....	56
Railroads of Minnesota	149		
Railroad, Hartford & New Haven..	388	U.	
Railroad, East Tennessee & Georgia.	389	United States, Commerce of.....	70
Railroad, Raritan & Delaware Bay..	306	United States Debt, monthly statement.....	74, 152, 218, 338, 463
Railroad Items... 148, 227, 301, 387,	451	United States Bonds, prices of in New York each day, 76, 154, 234,	314, 394
Redemption of Bank Notes.....	97	United States Bonds, Quotations at London daily... 77, 155, 235, 314, 394	
Resumption of Specie Payments ...	286	United States Trade Report, 82, 218,	321
Relief from Fiscal Burdens.....	440	United States Debt, Reduction of...	143
		United States Bonds, Purchases of...	344, 368
S.		United States Debt and Interest Payments.....	174
Salary of Assistant Treasurer.....	369	United States, Receipts and Payments for Year.....	176
South, the Future of the.. ..	4	United Kingdom, Agricultural Statistics of.....	103
South, Manufacturing at the.....	91	Usury, Prosecutions for.....	186, 219
South, Business Changes in the....	363		
South, Labor in the.....	271	V.	
Specie Movement.....	78, 348	Virginia & Tennessee Railway Bonds.	457
Specie Payments	286	Virginia, Railroads of.....	457
Stock Exchange, Business of, 76, 154,	233, 313, 394		
Suez Canal.....	399	W.	
		West Wisconsin Railway.....	66
T.		Western Union Telegraph Company.	309
Tehuantepec Route.....	138, 226	Wheat, &c. of Great Britain....	103, 299
Tennessee Debt, &c.....	385, 225, 448	Wheat, &c. of the West.....	95, 99, 101
The Condition of the Massachusetts Insurance Companies.. ..	446		
The Supreme Court and the Legal Tender Act.....	442		
The Discount Market.....	437		
Toledo, Wabash & Western Railroad.	104		

**THE
MERCHANTS' MAGAZINE**

**AND
COMMERCIAL REVIEW**

J U L Y , 1 8 6 9 .

THE COMMERCIAL CONDITION OF THE COUNTRY.

The general condition of the industrial and commercial affairs, though not what could be desired, is yet far from affording justification of those gloomy raticinations in which our prophets of evil periodically indulge. For the last five years, we have often heard that we were on the eve of an unprecedented panic, which as a severe but effectual remedy, was to rectify our money derangements, explode the prevailing inflation, and place affairs generally upon a sound basis. These anticipations have kept capitalists in a state of constant fear, checking the employment of their money in industrial pursuits and inducing large investments in securities and real estate, with a consequent inflation of their value. It is, however, to be noted that the predicted catastrophe has not yet arrived. We have had several more or less severe spasms, partly the result of

these apprehensions, partly of irregularities in our deranged finances, and partly of extremes in the inflation of securities; but, after each crisis affairs have lapsed back into their former position. We have even withstood the effect of excessive importation and of European panics which, in former times, would have resulted in disturbing our entire commercial system.

These evil forebodings have been based upon an imperfect comprehension of the situation of the country, and the agencies by which its derangements are to be adjusted. The really effective correctives of an unsound condition of a nation's commerce are natural. The evils themselves have a self corrective tendency; and though the remedy may come slowly, yet, where there is a reasonable degree of freedom from extraneous restrictions, they come with all the certainty of natural results. The violent convulsions are the consequence of conventional restrictions; and panics are to be expected when and where those restrictions check the national operations of affairs. These views receive confirmation from the fact that, for the last four years, the business of the country, so far from working toward the culmination of a panic, has been fundamentally improving. By this we do not mean to imply that some interests, especially the strictly commercial, have not sustained losses, and that depression and complaint have not been more or less general; but that in spite of all this, there has been a steady return of our labor and industries to the employments called for by a condition of peace; that more attention has been paid to those branches of industry which lay at the basis of national prosperity and abundance; that there has been an increased production of those commodities which were relatively scarce and therefore dear; and that, in this way, we have made rapid progress toward a normal relation between the several branches of industry. The prosperity of the agricultural interest, in a certain sense at the expense of the manufacturing and trading interests, has, with favorable seasons, induced such an increased production of breadstuffs that we now have low prices of grain, to the general advantage of the whole community. The same process has been in operation in the cotton trade; and although the result cannot, for evident reasons, come so rapidly, yet it is easy to see that the period is not far distant when the price of the great staple of clothing will range upon a level with the reduced value of breadstuffs. These are most encouraging symptoms of recovery, for the cheapness of food and clothing lays at the basis of moderate values for all other products, and of necessity must be followed by lower wages and lower prices, which, in a free community, are always accompanied with abundance and prosperity.

Very fortunately also the seasons favor a continuance of this recuperative tendency. The abundant harvest of last year is likely to be followed

by another year of plenty. A large area of land has been placed under grain, and the condition of the crops is everywhere reported to be highly satisfactory; so that favorable weather is the only remaining condition requisite to an abundant supply of grain. Reports from Europe also are satisfactory as to the prospects of the next harvest. We are evidently, therefore, in a position to recover at an early day the old position in respect to stocks of breadstuffs, the main essential to a permanently lower scale of prices for grain. The prospects of the cotton crop are, on the whole, encouraging. Reports from the South do not indicate the probability of any extraordinary yield; but a considerable acreage has been planted, and the condition of the crop, as a whole, is promising; so that a moderate increase upon the crop of 1868-9 may be reasonably anticipated. This prospect perhaps would not justify the expectation of a decided fall in the price of the staple; for stocks of cotton throughout the world are low, and only a succession of abundant crops could place the stocks of raw material and of goods in the condition which would necessitate a settling to permanently lower prices. It may, however, be safely calculated that, with ordinary seasons, the South will henceforth steadily augment its crop; the cultivation of cotton being highly profitable, while the means of the planters are steadily accumulating, and their labor resources, though too limited, have proved to be reliable.

The condition of the public finances also affords ground for congratulation and confidence. The public debt has assumed a more consolidated form, and there is no longer the occasion of an unsettling of monetary affairs by the retiring of the short obligations of the Government. The necessary financial operations of the Treasury are now conducted, apparently as far as possible, upon a settled and known policy, enabling the public to calculate definitely upon the movements of the Department, and thereby obviating the surprises and frequent derangements to which the money market has been subject from this source. In the public departments a process of moderation of expenditures has been inaugurated which are likely to be kept in force, and from which we may anticipate an extended reduction of the public debt or a diminution of the burthens of taxation.

Putting together all these facts, there is really substantial ground for the moderation of the chilling apprehensions so long entertained and for increased confidence among capitalists in the employment of their means in production and commercial enterprises. All the natural forces at our command are working together to effect a more rapid recuperation than has followed any of the great wars of the Old World; and nothing can more effectually promote their beneficial issue than the ready co-operation of those who control the accumulated resources of the country.

There remains much to be done in the adjustment of our financial derangements; but nothing can so effectively promote that work as the growth of activity and confidence in the employment of capital, and especially in production.

THE SOUTH.

BY W. L. TRENHOLM, ESQ.*

It is no new thing in modern history for a people to live out more than one phase of civilization. The genius of Egyptian labor, the grace of Grecian art, the power of Roman law, the honor of Mediæval chivalry—had, indeed, each in turn, flowered and passed away, but England, France and Germany have perpetually renewed, in changed institutions, the vigor of their national life, and it is to modern, and not to ancient instances, that we must look for the true type of our own civilization.

Death is the consummation, not the condemnation of life, and the institutions of a people, like the bodies of men, must die in order that the souls which animate them may live. Hence it is no reproach to our past to say that it had accomplished its allotted days, and that its dissolution was the natural process by which we have emerged into a new and larger life. Looking back now upon the dead past of the South, we need not blush for it, for its life was vigorous and fruitful. It is true that long ago the world condemned slavery, but the world has never known it as we have known it, and history will yet do us justice, for it must record how difficult its duties were and how faithfully and successfully we discharged them. Half a century before the war when the slave trade ceased, the South contained less than a million souls of the African race; when the war occurred they had increased to upwards of four millions. These four million descendants of savages were more orderly and moral than the same class in any other civilized country, and they remain so up to the present moment, notwithstanding the temptations and privations of the war, the license of sudden freedom and the bad advice of political agitators. They were deeply imbued with the principles of Christianity, insomuch that since emancipation they have cheerfully devoted their scanty earnings to the building and maintenance of churches and schools, and the establishment of charitable societies; their intellectual powers were stimulated and improved as far as they logically could be in a condition of slavery, and were sufficiently developed to furnish a stimulus for continued effort, and to constitute the basis of their future self improvement.

* Portion of an address delivered by W. L. Trenholm, Esq., on the third anniversary of the Charleston Board of Trade.

Slavery was something more than a contrivance for consolidating labor with capital; it was a discipline for both races, a school for the formation of character. As far as slavery and our administration of it are amenable to moral judgement, it must be judged by its influence upon the maturity, and not by its impression upon the pupilage of those whom God placed under its restraints. The masters as well as the slaves, the whites as well as the blacks, learned many noble lessons in life at this discontinued school. Providence and forecast for dependents, indulgence of the weak, and an habitual consciousness of responsibility upon the part of those invested with power—the obligations of honor, the force of character, the power of self reliance, the sanctity of individual rights, the elevation of dignity above gain, of worth above wealth, were all acquired there and are characteristics of which we had a right to be proud, and to which we should still tenaciously cling.

Outside our own limits we exercised an influence for good, the effect of which is conspicuous all over the United States. While New England was exploring communism and dissipating personal identity and responsibility, the South was perfecting the ideal of the individual. When the great flood of the Democracy at the North had obliterated all venerable landmarks and levelled all society, the South elevated still higher her ancient families and historic names to point a contrast which should abash the levellers. When the West was all one human river, rolling ever over new soils and territories, retaining nothing, preserving nothing, but pursuing all things, until home meant a camp and companionship was an encumbrance, the South rested tranquilly within her ancient borders, inhabited still her ancestral mansions, and cultivated attachment to the soil, repose and contentment.

It is not necessary to weigh the value of the contributions to the now harmonising national character, which have been made by the different sections of our common country. Before the war we stood too widely opposed in all the relations of life for our various qualities to combine, but now the quick intellect and fertile invention of the East, the large aims and broad culture of the North, the restless spirit and boundless ambition of the West, the conservative tenacity and intrepid courage of the South, will all become interwoven and form one substantial and well defined American national character.

Planted at the opposite poles of human development, the North at the social and the South at the individual, our contrary systems strained the bond of union and would have rent it asunder. One-half century ago the separation would have been inevitable, but the characteristic of the present age is unification. We have seen the ancient principalities of Italy brought together into a single nationality; we have seen the great

Tuetonic Fatherland restored to unity and a common destiny; we hear from afar the murmur of pan Slavonic aspirations; we have seen the combined power of Europe invoked to keep down a little longer the unconquerable yearnings of Grecian consanguinity. Our late opposing sections, too, have felt the hand of Providence constraining us to draw closer together, and having in the past been severally spinning the web and the woof, we are to-day uniting them in the firm texture of a common and uniform nationality.

At the North government and society have been approximating the Southern type; individuality has been emancipated from communism, the rank license of thought and speech has been restrained within the bounds of decorum, propriety has become more influential than extravagance, and distinction is no longer conferred by wealth alone.

At the South similar and correlative changes have turned the current of our future development towards the Northern ideal. Here authority has been deprived of its prerogative, personal distinction is being eclipsed by representative prominence, expediency shares the influence which used to belong to sentiment alone, reason is more consulted than usage, inducement is used rather than compulsion, public advantage prevails over private pretension.

All the elements of character and society which formerly were bent in one direction are now straining in that which is the opposite, and yet the one as much as the other will bear us onward to prosperity. When a ship, which seeks her port against an adverse wind with all her sails aslant, has won the utmost limit of her tack, and turning sharp athwart her former course hauls round her yards and spreads her canvas for a changed career, the seamen's science tell him that her progress is still onward; and so may we, if we look to principles and not to appearances, be assured that the South is moving still onward to the haven of her hopes—whether her prow points northwardly or southwardly.

While we rejoice in the assurance of general progress, we are, nevertheless, not all free from apprehension as to the future of individual interests; we look back upon the crude communism of the North as we remember it in the past, and cling still more fondly to the protection of our ancient safeguards. This is natural, but it is not altogether justified by reason, for we are approaching their civilization from the opposite side to that at which they entered it; we are moving to meet them, we are not following in their steps. When once these currents shall have mingled, their united stream cannot flow upward to the source of either.

Apart from reason and interest, many of us are still held back by a sentiment which all must respect, but to which none ought to yield; our destiny is not our own to make or mar as we like, but we must conform

to the requirements of our times and move to the cadence of the great march of the world. The feudal barons built lofty towers to shield their tenants and their herds in lawless times, but now those empty strongholds stand in picturesque decay upon the hills that look down on the peaceful Rhine, untenanted by man or beast, serving no purpose but to adorn the landscape, while on the level plains below a thousand humbler dwellings give the shelter and security of home to a more numerous and a happier people. So it is with us. Our castled crags of individualism have become obsolete. He who still abides there chooses solitude and proud penury; those who descend to the vineyards below will find liberty and prosperity, peace and companionship.

Let none imagine that they who join this movement are doing any wrong to their ancestors whose effigies stand in the niches of the ancient walls. The institutions, the laws, the manners of the past, subserved their purpose and fulfilled their destiny. God imposed them, God has changed them. "What is man that he should contend with the Almighty?" In the past we and those who, alas, are buried with it, did our duty according to the requirements of our circumstances, but now other duties wait upon us, and different circumstances encompass us. We must explore our new times, discover the resources and take possession of the opportunities that lie before us. To this task we must bring courage and patience, minds unfettered by prejudice, and eyes undazzled by authority; we must be intrepid enough to give offence to ignorance, we must forget to defer to senility, we must learn to respect energy and to make use of youth. Let the true and the wise direct our counsels; let the brave and the young march in the van; let the infirm and the timid follow safely in the rear. Thus and thus only can we advance, thus and thus only can we achieve.

With common ends in view, and common objects to attain, our energies should be united, and a common sentiment should pervade our minds. It is easy for men to be combined under the constraint of authority. The influence of position, the prestige of fame, place a sceptre in the hands of distinction by which unthinking minds are swayed, and indolent dispositions directed. Such union constitutes the power of empire, it consolidates energy, it represses independence of thought and action, it is strong for conquest but weak in defence, it may win renown but it drives off prosperity. This is not the combination we should seek—our new condition must be a republic or it will be nothing; no single mind can solve its varied problems, no single character can prevail against its difficulties. The solid front of voluntary combination, the irresistible movement of intelligence freely mass'd and understanding its aims, are the only forces that can avail against the obstacles in the way of that

kind of progress which is alone worthy of our efforts and our aspirations. Look abroad upon the world and contrast the two systems of combination—see Asia stagnating and Continental Europe heaving under the power of empire, while England has just renewed the glory of her history in the last great triumph she has given to public opinion. The vast globe itself is not too large to be filled with the reverberation of England's mighty shout as the statue of liberty is raised above the ancient seat of unjust privilege and oppressive prerogative.

Governments and all social establishments derive their sanction from their usefulness; under the common law of modern civilization each may be summoned to the bar of the public opinion of the world and put upon the vindication of its existence. We who have learned only lately what it is to have a government over us, in which, for the moment, we can take no part, should feel the utmost interest in the sovereignty of the great public opinion of civilized mankind. It is the only tribunal to which we can appeal, the only power strong enough to protect us. The disabilities under which the South once stood in that high court are now removed; the world is growing more just to our past; and is warmly drawn to us in sympathy for our present condition. To-day we stand among the other civilized communities of the world wearing the court dress of free labor which the age prescribes, no longer obliged to plead our rights to equality and respect.

The present age has brought all mankind very near together; through the rapidity of communication it has multiplied the reciprocal ties between distant communities, and has enlarged the interests which are in common among widely spreading populations. Humanity has become the prevailing passion of our time; the brotherhood of man, which Christ preached eighteen hundred years ago, is only now being practically accepted by the world which crucified Him. But now the world is heartily in earnest; Christian charity has become more universal than Christian faith, and labors of love are more abundant than prayers and penances. We who appreciate the past history of the Southern people know that in the office of humanity they were entitled to rank with any other community. We know that the Roman discipline of the plantation was tempered with patriarchal benevolence—that subordination went hand in hand with familiar intimacy, and that courtesy was shown to age, however humble, and respect accorded to merit, even in a slave. The time must come when the world will do us justice in these things, and we should boldly claim it of the world, and not stultify our past and embitter our future by suffering the freedmen of the South to be persuaded that they have heretofore suffered wrongs at our hands or are likely hereafter to be defrauded of their rights by the restoration to power of those who are entitled to control the State Governments at the South.

The obligations of honor and humanity in which our childhood was educated still bind us to the African race; they have still the claim upon us that weakness has upon strength, that ignorance has upon knowledge that want has upon wealth. Their new relations to us have enlarged the area of our common interests. Formerly we were materially interested in their physical and moral well-being only, now we have a still more important interest in their intellectual improvement. However premature and hazardous we may rightly think the enfranchisement of the negroes, we cannot fail to see that it is irrevocable, and since whatever danger there may be, comes from their ignorance and not from their malevolence, it is our interest as well as our duty to see that their ignorance is enlightened by education. Education is not dependent upon schools, nor does it necessarily rest upon reading or writing—these are best, but they are not essential; and, meanwhile, until these can be afforded, let us lose no opportunity of advising and encouraging these simple people in the difficulties and perplexities of their new responsibilities. We need not fear that the African race will ever impose its inferior culture upon the Caucasian—where we voluntarily abandon the field, they may walk in and occupy it, if we should unwisely exclude them from political association with us, and drive them back upon themselves, they will find leaders of their own blood or of ours, and will make their influence felt; but if we resume the personal intercourse of the past with them, retain their affection and continue to deserve their confidence, they will not be slow to learn that what is our good is theirs, what brings prosperity to us brings it to them, and that as we are able to think better than they so they will do well to listen to our counsel and support our measures. To gain their confidence we need not soil our hands with intrigue nor stoop to become sycophants; they have been studying us all their lives and know when we are in earnest; our kindly and sincere purposes towards them will be most appreciated when least demonstrative, and our own position is sufficiently assured to make us absolutely free to approach them frankly, unaffectedly and in the open light of day.

Such intercourse is not repugnant to our habits, it is not inconsistent with either the past or present relations of the two races, it is in harmony with the great law of Christian charity and is plainly pointed out by the most practical common sense. Once established it can never be again interrupted, because its benefits will be too much appreciated ever to be resigned. Let equal justice for all be once fairly established, let mistrust and suspicion be dispelled, let law be seated above politics, and truth and justice preferred before party, and the future of the South becomes assured. Then may we widen the basis of our prosperity enlarge the area of our enterprise, multiply the employments, the inter-

ests and the aspirations of our people. Nature has set no limit to our developement; the genial soil of the South would nourish a very much larger population than that now inhabiting it; our facilities for manufacture are abundant, our mineral resources are almost untouched, our harbors and rivers are sufficient for all the commerce of the Atlantic.

We need population and capital—the one will come if we open our doors; the other will follow if we assure it of protection. The thirteen Southern States, excluding Maryland and Delaware, with an area of 830,000 square miles, contained in 1860 11,500,000 inhabitants, which is less than fourteen to the square mile. If all the South were as densely populated as South Carolina, it would contain nearly 24,000,000 inhabitants; if it were as densely peopled as New England, the number would be 40,000,000 and over. That the population of the South did not increase in the same ratio as that of other parts of the United States, is notorious. Our northern frontier, although washed by the living tide which has flowed even up to the base of the Rocky Mountains, was almost a barrier to immigration. Between 1850 and 1860, the foreign born population of the Northern States increased 2,550,000; that of the Southern States only 325,000, or as eight to one; yet according to the census of 1860, only one acre in every seven at the South was “improved,” while at the North one in every five was “improved.” In Illinois, farms were worth on an average twenty dollars an acre; in Alabama, nine dollars an acre; yet undoubtedly at the South the best lands only in each State were under cultivation.

It is trite to say that slavery was the cause of this difference, yet few who are ready with this explanation have considered in what way immigration was prevented by slavery. It has been customary to ascribe the hindrance to moral causes, to speak of the “instincts of freedom,” and other supposed sentimental objections; but such explanations are unphilosophical and untrue. Immigrants had certainly been taught, by the experience of those who had tried it, that the South was not the place for them, but the causes that excluded them were physical and not moral; they were economic and not sentimental; they arose not from any obloquy attaching to labor at the South, but from the fact that here slavery mobilized the laboring population and enabled it to be massed together in large force, to be rapidly moved from place to place and to occupy new and rich soils just as soon as these became accessible to immigrants. Under ordinary circumstances, the native population of a country is permanently seated; attachment to the soil and the ties of family retain it until its density becomes excessive, and emigration is embraced as the alternative to hopeless poverty. If such conditions had obtained at the South, or if slavery here had not been contemporaneous with the extra-

ordinary facilities for transmigration which the present century has introduced, the original slave States would probably have contained to-day the eleven millions which constitute the Southern population, and European immigration would long since have filled up all the rest of our present territory. But when the whole intelligence of the South was intent upon discovering the best and richest soils, when its whole capital was available for their acquisition and its whole laboring population ready to occupy them, the immigrant found himself at a hopeless disadvantage. Without capital or credit, he came in competition with the master of many slaves, and found the best soils preoccupied; being alone he earned less and spent more in living than the slave, for combination augments production and economizes consumption.

The mobility of our laboring population not only excluded immigrants from our new territory and prematurely diminished the laboring population of the older States, but in these the slaves became massed together as the competition of the West came to be more and more felt. Thus profitable planting required large capital and small proprietors were at a disadvantage. Free labor was too expensive for both laborer and employer, hence many were forced to emigrate; and so extensive was this emigration that the census of 1860 showed that of the white persons then living in the United States, who had been born in South Carolina, 277,000 only remained at home, while 193,000 were permanently settled in other States. North Carolina retained 634,000 and had parted with 272,000. Virginia retained 1,000,000 and had sent off 400,000 of her native white population. The same cause practically prohibited manufactures, because manufactures even more than agriculture depend upon fixity of population. Cheapness of living, uniformity and regularity in the supply of the necessaries of life, are conditions which must be in existence in every locality before manufacturing becomes possible there. These conditions cannot obtain where population is shifting, nor will capital consent to permanent investment where values fluctuate with the movements of nomadic labor.

With the extinction of slavery, the South presents to immigration an entirely different aspect. Our native population, no longer migratory, is already beginning to find the country too large, and to conjecture how immigration can be reconciled with conservatism. Our foreign-born citizens, few in number, but intelligent and prosperous, are earnestly and actively engaged in inviting their countrymen to try their fortunes here, while the attitude towards immigration assumed by our newly enfranchised classes, reflects infinite credit alike upon their good sense and their patriotism, and entitles them to participate throughout the future in the benefits of a broad and liberal public policy. Let us everywhere at the

South yield to this impulse of the times. The great popular mind has fastened upon immigration as the foremost measure of the day. Its ultimate triumph admits of no question, and yet, in many a private circle, in many an ancient coterie, doubts and apprehensions are still entertained. Many an empty privilege—many a useless custom—the lumbering rubbish which collects in old communities—may be borne away upon this vigorous flood. Some venerable and worthy relics, too, may be lost; but it is better to lose the relics of antiquity than to make no bequests to posterity. The past did its duty and is dead; but we live upon its work. Let us likewise do our duty, that our children may in turn live upon ours. Fling wide your doors to immigration and compel them to come in—not barbarians, to be beasts of burden, but intelligent, thrifty, liberty-loving men, and healthy, industrious and virtuous women. Welcome all alike, whether they be laborers or capitalists, artisans or merchants. Establish just laws, and watch jealously over their impartial administration; see that labor is assured of its earnings; that property is made sacred; that wealth is effectually guarded against public and private assault. Let the inviolability of the person and the sanctity of the human life receive the most impressive sanction of our courts; let the public peace be maintained with the truncheon of the policeman and not the bayonet of the soldier; let the public expenditures be directed to the ends of good government, and not to the nourishment of party.

Long before these things are all accomplished, before even we shall all be of the same mind as to their merit, the tide of immigration will be upon us. Our soil is too accessible and too fertile, and our climate too pleasant and healthful to be passed by for the distant and inhospitable regions where alone public lands are still offered to the immigrant. Agriculture in the South presents now greater inducements to the farmer than to the planter, science and mechanical invention are more effective than muscular force, varied production is more lucrative than the culture of a single staple. The immigrant will find his intelligence appreciated, his skill available, his thrift profitable; our population will become fixed, living will be cheaper, manufactures will be possible, trade will become more active and more ramified, our country towns will grow, our cities will be multiplied and will become more populous. Occupation and opportunity will be found for all; native talent and industry will have freer scope and larger reward than ever before, while new-comers will be no longer feared as rivals, but welcomed as allies.

The dense populations of the Eastern and Middle States can spare us a large number of immigrants, whose education, enterprise and capital will be of vast consequence to our early prosperity. The inducements the South holds out to this class are sufficient to bring them without

other invitation, but the people of the South owe it to themselves to meet the first-comers in a manly spirit. It would be unworthy of us to take a mercenary view of such a question, and hence I say nothing of expediency; but it is becoming in us, because it is manly and generous, to give a frank and honest welcome to those who are personally worthy of it, whether they were with us or against us in the past. After the Revolution, the fratricidal passion which had arrayed Whig against Tory, was banished from the heroic breasts of the victors and vanquished alike; and we who have so conspicuously imitated the courage of our ancestors, need not be ashamed of emulating their generosity. The advent of strangers, however welcome they may be, cannot fail to have the effect of drawing closer together all the classes of our native and old adopted population. There is something in old associations which cannot be entirely expelled from the human breast, and we shall all stand more firmly together when in the presence of those who do not share in our memories of the past. With ranks recruited, energies refreshed, hopes elated, we of the South may move forward to the occupation of our future with the assurance which reason gives to those who are provided with the means to command success. In that future the South will find a destiny which to us who must bear the burdens of the march, is not yet revealed in all its fullness—but we already see enough to incite us to advance with energy and intrepidity. Great effort and great sacrifice will be demanded of us; the sacrifice must be individual, but the effort must be in common. He who is conscious of being worthy to be a leader must be content to take a place in the ranks; he who is ambitious of being the first to scale the wall must abide by the wagons if need be; he who loves solitude must be ready to rush into the thickest of the fray. Thus will personal sacrifice minister to public advantage, and the common good will grow by common effort.

Let us array ourselves in panoply of enthusiasm—proof against the petty darts of prejudice and affectation—and, shoulder to shoulder, bear down the barriers of ignorance and obstruction; we need no leaders, but we will find representative men; we need no crowned authority, but we will stand under the free banners of public opinion—the ruler of the world, the arbiter of the destinies of nations. Public opinion is the Melchisidech of our age, receiving tribute from all mankind, allowing empire or conducting revolution, anointed of God, the King of Peace. Within the limits of its wide influence no wrong can stand uncondemned, no lie can remain unrebuked, but truth, however homely, is made honorable—rights, however humble, are exalted to power. There the human mind is free, no antique usage nor obsolete tradition fetters human speech, for public opinion can live only in the atmosphere of liberty; it is the spirit of truth, the interpreter of revelation—the only *vox populi vox dei*.

When thought and speech are not free from prejudice and fashion, from the domination of party or the dictation of caucus, that which calls itself public opinion is a usurper; for when the mind is not free truth is imprisoned in her own citadel and her standard still floating above the outer wall, becomes the emblem of successful falsehood.

To establish among us forever the true and the right, it is only necessary that every man should assert absolute independence of thought and speech, and accord the same to every other man. This is no easy task; it devolves especially upon the young and the brave, the honest hearted and the humble minded, for liberty does not come of pride, but of humility; not of strength, but of courage; not of experience, but of aspiration. Upon all sides there is work to be done, error to be exposed, truth to be illustrated. In our courthouses and workshops, upon the marts of commerce, in the fields of agriculture, wherever men are called to labor with the arm or the brain, we need clear heads, strong hearts, steady hands—not to dictate but to enlighten; not to lead, but to encourage; not to control, but to point out. Thus and thus only will our whole population advance in harmony and with unity of purpose. A people so moved and being in unison with the great prevailing principle of their times, acquire a momentum in the direction of greatness which is irresistible.

The greatness of a people is not measured in modern times by the altitude of one class above another, but by the common elevation of the whole. Raise high your highest, but leave not the lowly low; let merit be exalted, let intelligence soar among the clouds, but leave no human being to struggle alone with the degradation that drags him still downward, leave none in the darkness of ignorance, deny to none the warmth of sympathy, and above all heap no contumely on the head of the humblest aspirant for honor and position. Thus will all unite in building up a glorious future, where all may dwell in happiness and honor, and where our public greatness will be a perpetual *Te Deum*; for there is a grand harmony in the mingling emotions of a free community; when the solemn ground-tone of earnest masses, the vast swell of pervading enthusiasm, the whole diapason of human aspirations, pour their united torrent upward and fill the ear of Heaven with man's great *laborare est orare*, while pure and clear as the treble of a silver bugle the dominating idea of the epoch gives articulate language to the tumultuous concord.

THE BANK RESERVES.

We publish this month tables showing the reserves of the National Banks, and the aggregate returns of the banks in each State of the Union as reported on the 17th April under the new law requiring five reports a

year under the direction of the Comptroller of the Currency. There are two points in regard to these tables which are worthy of attention. First, they are made up for some past day designated by Mr. Hulburd, and the abuse of preparing for their statements is at an end. To give such statistics their full value, they must offer faithful and impartial records of the average condition of the banks. Now it is notorious that under the old system this was not so. The banks everywhere were tempted to prepare for their quarterly reports. They were anxious to offer a strong statement, and they knew beforehand on what day it would be made up. Their credit with the department and their position before the public depended in part upon their success in showing a strong position in these reports, which are not only sent to Washington but are published by law in the newspapers. Hence the very mischievous practice grew up of calling in loans, of gathering greenbacks into their coffers, and of making other adroit disposition of their assets so as to show a large proportion of reserves to liabilities. Now the thing that is wanted is to make the banks always strong in reserve. The new law does this, at least, in part. For it requires the statement to be made up whenever the Comptroller may order it. The banks are therefore liable at any time to be called upon, and they cannot strengthen themselves so as to appear in their report stronger than they are on the average. Moreover, the report is always to be made up for some past day, as was formerly done under our New York State banking system. It is obvious that as the banks do not know beforehand for which day or even in what month their statements will be required, they are kept under a constant pressure to hold themselves in a sound, strong position at all times. At any rate, we shall be likely now to know more precisely what is the real condition of the banks, and the sworn figures of the reports will give more nearly than heretofore the actual averages. The new value thus conferred on our bank statistics it is impossible to overestimate.

The second point of interest in these tables is in regard to the adequacy of the reserve. In view of the monetary spasms of the past six months this question is assuming more and more prominence. Had the bank reserves been more ample, the stringency of March and April would perhaps not have occurred; certainly it would have been less severe, and less prolonged. The law requires that all banks situated outside of the financial centres shall protect their liabilities by a reserve of 15 per cent. The institutions to which this rule applies are 1,397. Their liabilities approach 394 millions, so that the reserve required is 59 millions. The banks actually hold 82 millions, so that they would seem to be amply fortified. If these 82 millions were greenbacks the situation would be strong indeed. But the reserve is really composed of no more than 37

millions of greenbacks in hand, the remainder being chiefly on deposit in the banks of the redeeming cities, except about 6 millions in gold and 3 per cent certificates. Still the reserves are considerably in excess of what the law demands, both in these country banks and in those of the fifteen chief cities which form the second group of banking centres. These banks, exclusive of those of New York, are 164 in number, having liabilities amounting to 213 millions. Their reserves by law must be 25 per cent, or 53 millions. The reserves actually held amount to 61 millions, or 29 per cent. Of this sum 26 millions are legal tenders, 15 millions are 3 per cent certificates, and 18½ millions represent the balances in the redeeming cities.

Turning now to our 56 New York banks, we find their liabilities are 187 millions which require by law 25 per cent reserve. The aggregate legal reserve should thus be \$46,750,121. The amount of actual reserve is \$53,801,622, or nearly 29 per cent. Of this reserve it is very important to note that the legal tenders are no more than \$17,229,007. This weakness in greenbacks is partly compensated for by 15 millions of Clearing House certificates and nearly 16 millions more of 3 per cent temporary loan certificates. The excess of interest bearing reserves and the deficiency of greenbacks is at present one of the weakest points in our National banking system.

The banks must always be weak and exposed to danger so long as they allow their greenback reserves to run down below a certain safe level. That they have sunk below that level of late the feverish state of our money market sufficiently proves. Several months since the *MAGAZINE* called attention to the danger of allowing the banks to hold reserves bearing interest. The evil we predicted has arrived. If new legislation is needed to correct it, that legislation should look to the imposing of restrictions on the interest bearing reserve and to an increase in the amount of greenbacks to be held by the banks as guarantee of their solvency.

ON THE TRADE WITH THE COLORED RACES OF AFRICA.*

BY ARCHIBALD HAMILTON, ESQ.

I propose to take a general survey of the commerce between the colored or Ethiopic races of Africa and the civilized world; and then briefly to consider the means by which that commerce, hitherto confined to the coast, can be extended to the interior.

The Ethiopic races inhabit that vast country south of the great desert,

* Read before the Statistical Society, February 18, 1888.

which may with tolerable accuracy be defined by a line drawn from the River Senegal to Cape Guardafui as its northern boundary; while its southern limit is the Cape Colony. It thus comprises about forty-five degrees of latitude, and is bounded, east and west, by the Indian and Atlantic oceans; its area being equal to one-fifth or one-sixth part of the habitable globe.

Apart from any question of inherent inferiority of race, it is obvious that the country occupied by the Ethiopians is not calculated to engender civilization. It lies in too compact a mass, unbroken by bays or inlets; nor do the rivers afford either defensive frontiers or the means of communication and transport equal to those which divide and traverse the other divisions of the globe. The great desert cuts it off from the ancient civilization of which the Mediterranean was the centre, while the intercourse subsequently established by the Arabs is limited and impeded by the same cause. The rivers are all subject to a dry season, which renders them during a part of the year unfit for inland navigation; and they are all more or less interrupted by rapids and cataracts—though it is true equal obstacles have not hindered the St. Lawrence from becoming the great means in the settlement of Canada.

There are two circumstances which give reason to hope, not only that our commerce with the races dwelling on the coast will be rapidly enlarged, but also be extended inwards. I mean the almost total stoppage of the Christian or transatlantic slave trade, and the rapid strides which have of late been made in the exploration of the continent.

In 1854 Livingstone penetrated from the Cape Colony to Loanda, and thence he crossed to Quillimane, tracing the course of the Zambesi on his way. Subsequently he explored Lake Nyanza, and it has recently been a public consolation to learn that he is now on his way home, most likely down the Nile, to complete our knowledge of Lake Tanganyika, first discovered by Burton. Barth has supplemented the labors of Denham and Clapperton in Central Africa, between the Niger and Lake Tchad, the most hopeful and important district of all. Speke and Grant advancing northwards from Zanzibar, have discovered Lake Victoria Nyanza; while Baker, coming in the opposite direction from Egypt, has terminated the long mystery as to the source of the Nile, having beheld it issuing from the great lake Albert Nyanza. Brilliant as have been the results of these explorations, and others of lesser note, the field of adventure is far from exhausted; much remains for discovery before the map of Africa can be filled up, and the future highways of commerce be traced out. Happily, however, the spirit and enterprise of our countrymen are more likely to be stimulated than diminished by the exploits of the celebrated travelers to whom I have alluded.

There is one subject which occupies a large space in every book of African travel—the slave trade. I do not intend to enter into any details of the horrors attending that traffic; but as human beings have for three centuries been one of the chief exports from Africa, this subject is inseparably mixed up with that of legitimate commerce; because of the anarchy which the slave trade everywhere creates, the ceaseless kidnapping—slave hunts—and wars undertaken expressly to obtain captives, to the destruction of settled industry. It is even the principal cause of the difficulties experienced in exploring the country; and has, moreover, brutalized the natives on the coast far below the condition of the people in the interior.

Within the last few years success seems at length to have crowned our efforts to suppress the transatlantic slave trade, but the Mahomedan traffic continues unchecked, or nearly so. Owing to their contraband nature, it is impossible to obtain accurate information of either at any period. The matter was carefully investigated by Sir Fowell Buxton, who estimated the number of slaves exported at 170,000 per annum so recently as 1839–40, on data which have never been impugned. To this must be added a loss of life from slaughter in wars undertaken for the capture of slaves and subsequent mortality, so that the figures are thus stated by Buxton:

	Deliver'd.	Loss of Life.	Total.
Transatlantic slave trade.....	120,000	28,000	400,000
Mahomedan.....	50,000	50,000	100,000
Total.....	170,000	880,000	500,000

It would appear, however, from more recent information, that the loss of life from the Mahomedan trade is considerably under stated by Buxton.

Such was the most moderate estimate that could be formed of the transatlantic slave trade in 1840, and there is reason to believe it was stimulated for several years by the alteration of our sugar duties in 1846. The first effectual blow was in 1853 and 1854, when Brazil abolished the trade and importations ceased; so that Cuba thenceforward has continued the only importing country. A return of the slaves exported from the west coast between the years 1848 and 1864, will be found in Appendix, Table I; since the latter year the trade has almost ceased, a stray cargo now and then being all that has reached Cuba. The authorities there have of late been in earnest in preventing importations, and it is gratifying to observe that public feeling in Cuba is becoming adverse to their continuance.

I shall now briefly explain the progress which has been made in substituting legitimate commerce for the slave trade along the west coast; and may remark that this has nowhere been accomplished without com

pulsion of some kind in the first instance; and there is too much reason to fear that, in case of a renewed demand, the trade would once more break out where our vigilance relaxed. No export of slaves has taken place for many years from our settlements on the west coast, viz., the Gambia, Sierra Leone and Cape Coast Castle; nor from the adjacent territories under the influence of those settlements; nor from the republic of Liberia, nor the Dutch settlements on the Gold Coast; so that if we except the River Nunez, the coast between Gambia and Dahomey, say for 1,500 miles, has for many years been free from the slave trade. Relying on this immunity, it was resolved in February, 1864, to withdraw the squadron entirely from this part of the coast; the consequence was, that in September following, a cargo of slaves was shipped from the River Nunez (situated between the Gambia and Sierra Leone), but with which there has been little intercourse from either settlement.

It is worthy of note that for many years great pains have been taken by the missionary societies with the education of the liberated Africans at Sierra Leone, and the children born in the colony. During six years ending 1864, between seventy and eighty schools have been maintained, at a cost of £5,000 per annum, which have been attended by 57,000 scholars, or an average of 9,500 per annum. An important class of educated blacks has thus grown up, who, together with the Liberian blacks, are actively engaged in trade all down the coast; and ever since the mail steamers were established, in 1852, they have availed themselves freely of the facilities thereby offered, to trade at the various places on the coast at which the steamers call. As many as 150 per month of these native traders pass in the mail steamers between the stations. Besides Sierra Leone, they are numerous at the Gambia, Cape Coast, Acora and Fernando Po, while they swarm at Lagos. They are everywhere useful as middlemen, and have, in fact, driven all white traders on a small scale out of the field at Sierra Leone; and the more extensive European merchants employ them as agents and clerks in their operations on the neighboring rivers. Of late it has become the ambition of these traders to order goods direct from England, paying for them in produce. I shall presently point out how the educated blacks are capable of playing a most useful part in the opening trade with Central Africa.

Already, as often as the educated native traders have had opportunities, they have shown great eagerness to carry small adventures up the Niger, and have even endeavored to form among themselves a company, with a capital of £25,000, for steam navigation in that river.

Whilst on this subject, I may allude to the progress made by the republic of Liberia, which occupies a coast line of about 600 miles.

The first settlement of emancipated slaves from the United States

was in 1820, and in 1847 it was declared a free republic. It now contains about 30,000 civilized inhabitants, about 15,000 of whom, with their descendants, are from America. From 300,000 to 400,000 aborigines reside within the territory of Liberia, and are brought more or less directly under the influence of her institutions. There are about fifty churches in the republic, representing five different denominations. The educated blacks in Liberia and Sierra Leone are intensely religious, and the various sects, Episcopalians, Wesleyans, Baptists, Independents, &c., are represented among them just as in England and the United States. Differing from Sierra Leone, Liberia has been governed since 1847 by blacks alone. Their constitution resembles that of the United States, and if their proceedings are at times calculated to raise a smile as a parody upon their model, it is impossible to deny the good sense, frugality and success which have attended them so far. In 1861 the revenue was \$149,550, against an expenditure of \$142,831. The Presidential message for 1866 alludes, with just pride, to the foundation of the Liberian college, and lays down a plan for national education. There can be no doubt that this well ordered and well governed community will play a great part in the civilization of Africa. The present state of matters in America will lead to a considerable accession of strength, 600 emigrants having been dispatched in the course of 1866, and 942 in 1867. The American Colonization Society, which founded the settlement in 1820, now regularly employ a vessel in the conveyance of emigrants. The settlers have already been able to repel all attacks from the natives, and as they gain strength, will become aggressive and extend their influence inwards. For the year 1864 the imports amounted to \$162,930, the exports to \$172,608.

I come next to the British settlement of Lagos, which was for many years the headquarters of the slave trade in the Bight of Benin. Situated at the entrance to an extensive lagoon, affording boat navigation eastward as far as the River Benin, and westward to the notorious kingdom of Dahomey, it possesses unequalled facilities for the slave trade, enabling the slavers to dodge our cruisers. In 1851 a treaty was forced on the chiefs and king, and a consulate was established, which continued until 1861; but those measures being inadequate, we took possession of the island of Lagos and of one or two points on the adjacent coast, which, with a couple of gunboats on the lagoons, has answered our purpose effectually.

A considerable trade in palm oil had grown up under the Treaty of 1851. Since we took possession the trade has been seriously interrupted by a war between Abeokuto and Ibadan, caused by the latter desiring a direct road to the white man at Lagos, and so avoid paying toll to the

Abeokutans. The ground lost will soon, however, be recovered, and Lagos is rapidly becoming the seat of a flourishing trade.

Stopping the slave trade at Lagos had the effect of directing the current thence to Whydah, a port in Dahomey; but of late, owing to the cessation of the traffic, the king of that country has turned his attention to legitimate commerce. Some small trade had indeed been carried on chiefly by the French, concurrently with the slave traffic; and in 1864 a Liverpool company opened trade at Whydah, the king granting them his baracoon, or slave depot, as a store for goods. Two other English houses have sent agents there, and a healthy trade is rapidly in course of development. I may mention, however, that so recently as May or June, 1867, the king tendered slaves in payment of a debt which he had contracted. I am unable to give particulars of this trade which as yet is in its infancy.

I come next to the rivers, Benue, Brass, and Bonny (mouths of the Niger), also Old and New Calabar and Cameroons, generally classed together as the "oil rivers." These were at one time the noted haunts of slavers. In the years 1838 to 1840, treaties were forced upon the native kings and chiefs, by which they engaged to discontinue the slave trade. Courts of equity were afterwards established for the regulation of legitimate commerce, consisting of the captains, supercargoes, and agents of English houses, together with the kings and chiefs of the place. They take cognizance of all disputes between the English and the natives. A consul visits the rivers at intervals, and the system has been found to work successfully, with only an occasional resort to the squadron; in fact, the mere presence of a man-of-war has of late sufficed to restore order. I am enabled to show, from private statistics, the progress of the trade between the oil rivers and Liverpool. The average during the first fourteen years was 17,932 tons; and during the last fourteen years 24,734 tons; but during the first fourteen years the trade was chiefly with Liverpool; Bristol participated, and of late years the Clyde has also shared. There have been great fluctuations in the imports, which have been influenced by the prices at home, leading occasionally to suspension of trade when the natives were unwilling to submit to reduced prices; likewise to bad seasons.

The next point on the coast where there is a considerable trade, is the Gaboon River, which is under the control of the French Government, and has hitherto been thrown open to all nations. There are five English, two or three French, one German, and two Dutch houses engaged in the trade. The police regulations are good, and traders well protected; until recently the expense was borne by the Imperial Government, but within the last twelve months they have enforced a charge for a trading licence, and it is expected will levy a duty of 4 per cent on imports and exports.

so as to assist in defraying the expenses of government. At our colonies a revenue is collected by similar import duties. I have been unable to obtain returns of the imports and exports, but these will enter into the general tables of trade with the west coast.

Further south we came to the River Congo, notorious as the last seat of the slave trade on the west coast. Within the last five or six years, as many as twenty-three slavers have been counted at Ponta de Lena at one time. Legitimate trade made no progress, until at last an effectual check was given to the slave traffic by the adoption of a very obvious course—our Government entered into a contract to coal the preventive cruisers on the spot, instead of resorting to Fernando Po or Ascension for a supply, leaving the coast and rivers for the time unguarded.

To prove how effective has been the blockade since this arrangement was adopted, I may state that within the last twelve months 700 slaves were sent down for shipment, and two slavers appeared on the coast to embark them—one was captured and the other left the coast in despair. When my informant left the Congo, the slaves were still on hand, and have doubtless either been set free or put to some useful occupation ere this. Cut off from the slave trade, the natives are now eagerly engaged in raising produce, while the Portuguese slave dealers are rendering good service as middlemen in the up-country trade. One Dutch, one American, three French, and three British houses have established themselves in the Congo, with branches along the neighboring coast as far as the Portuguese settlements at Angola, and an active trade is now carried on in palm oil and kernels, ivory, coffee, india rubber, copper ore, gum copal, and ground nuts. This trade has probably increased tenfold within six years, and the exports for 1867 have been estimated at £250,000.

Besides the points on the west coast to which I have alluded, there is an active trade carried on by the French at their settlements at Senegal and Goree, as well as elsewhere; by the Dutch at their settlements on the Gold Coast; as also by the Hanse Towns and Americans at various points; while the Portuguese settlements of Angola and Benguela are little developed, though there are valuable copper mines within their territory.

The trade carried on by these countries figure in the general tables of African commerce. But to show the extent of the west coast trade there are tables in the Appendix (table II) showing the imports and exports to the United Kingdom for ten years ending 1866 as also the imports from thence of ivory and bullion. The growth of the trade with the United Kingdom will, however, be best shown by the table of palm oil imported since the year 1790—also in the Appendix, table III.

As regards the goods shipped to the west coast, I may state that the

demand has for the last ten years or so, been constantly for an improved quality. The consumption of British manufactures seems limited only by the possibility of supplying produce or value in exchange; thus at the time when returns were unhappily obtained chiefly in slaves, the exports from the United Kingdom were, in—

1805.....	£1,150,000	1808.....	£800,000
1806	1,650,000	1811	400,000
1807 (slave trade abolished)..	1, 30,000	1827	156,000

This was the lowest point to which they dwindled. About 1830 the palm oil trade became important, so that the exports of British manufactures rose in—

1830 to	£250,000	1850.....	£640,000
1835	800,000	1855.....	1,100,000
1840	4 0 000	1860	1, 00,000
1845.....	530, 00	1865.....	1,100,000

As it has been often stated that considerable supplies of cotton may be derived from Central and Western Africa, I subjoin the quantities imported, viz. :

1836	Cwts.	308	1862	Cwts.	8,488
1837.....		1,024	1863*		....
1838.....		2,116	1864*		....
1839		1,815	1865..		7,126
1840		2,069	1866.....		9,512
1861.....		1,389			

It is true the cotton plant is indigenous, and the soil and climate over an enormous district are capable of supplying more than we even now consume; still the needful European superintendence for a large production cannot be supplied. The means of transport for so bulky an article do not exist; neither could the capital required for implements, gins, presses, &c., be prudently invested unless under British rule; so that many years must elapse, in my opinion, and many changes must occur, before we can look for any quantity of African cotton, such as would be sensibly felt in our markets.

As regards the trade with the natives bordering on the Cape and Natal colonies, as well as the Dutch republics beyond the frontiers, it is impossible to arrive at exact data. Speaking generally, we may assume that the greater part of the ivory and ostrich feathers from the colonies is obtained from the natives, or through their agency and assistance, as well as a quantity of hides and skins. Commerce is gradually extending northwards; for example, it is not many years since Livingstone discovered Lake Ngami, and now it is within the ordinary range of the traders in

* Importation cease', owing to Abeokutan war above mentioned.

quest of ivory and ostrich feathers. The Caffres and Fingoes settled within the colony are making marked progress; they now participate in the carrying trade of the colony, conveying merchandise in well appointed waggons from the coast to the up-country, and bringing down the returns of produce. Their consumption of European goods is increasing, and they now require these to be of better quality; a remark which applies likewise to the natives beyond the limits of the colony.

As a rough guess merely, I am inclined to set down the trade between the colonists and the natives beyond the borders, as follows:

Ivory, one-half exports from Cape and Natal.....	£20,000
Ostrich feathers, three-fourths ditto	47,500
Hides and skins.....	10,000
Cattle, sheeps, goats, and sundries.....	10,000
Total	£87,500

The eastern coast of Africa, northward of the colony of Natal was the seat of a flourishing commerce of great antiquity, carried on by the Arabs, who occupied the coast nine hundred years ago, and founded numerous cities as far South as Sofala; some of which remain to this day, while the ruins of others have lately been discovered. They traded to India, Persia, Arabia and Egypt. It was at M-linda that Vasco de Gama in the year 1498, procured a pilot to conduct him to India.

The Portuguese speedily possessed themselves of the principal positions on the coast for a range of about 2,400 miles. Their power did not, however, extend far inland, though they made efforts to advance into the country, chiefly with a view to reach the gold mines, the produce of which was brought down the Zambesi to Sofala (supposed by some to have been the Ophir of the Bible). But instead of the abundance they expected, they found the gold, as in other parts of Africa, had to be laboriously washed from the extraneous substances in which it is deposited.

As the power of the Portuguese nation declined, the Arabs re-established their independence over a portion of their former possessions, so that the coast from Delagoa Bay to Cape Delgado, 1,300 miles, is all that remains to the Portuguese, while the coast from Delgado to Magadoxo is claimed by the Sultan of Zanzibar, a range of 1,100 miles. Though in fact the sovereignty thus claimed by the Portuguese and Arabs is merely nominal, except here and there where forts are maintained. The natives beyond the range of these of these forts pay no taxes, and are in fact a source of terror to the Portuguese, who subsidize them at times, and have difficulty in holding their ground; indeed, Mr. Young has just brought word that they have been driven out of Sena and all places south of the Zambesi by the Zulus.

The blight of slavery has fallen upon their settlements, and of the prosperity for which they were at one time famous, scarce a shadow remains. Their trade consists in gold, ivory, and slaves. The slave trade, though contrary to Portuguese law, has unceasingly been carried on with the knowledge and connivance of the officials; happily it has been curtailed by the stoppage of the transatlantic traffic; but the Portuguese still supply the Arabs with slaves for the eastern markets. The only healthy symptom is a trade which seems likely to spring up between our colony of Natal and the Portuguese settlements at Delagoa Bay, Quilimane, and Mozambique. It is to be regretted the sovereignty over 1,300 miles of coast should be in the hands of a jealous and indolent people like the Portuguese, who by their commercial restrictions have, in fact, left their own subjects and the native chiefs little else to engage in than the slave trade, while they play this dog-in-the-manger policy on the coast of a fertile country, possessed of fine harbors and rivers more or less navigable. The Zambezi, the chief river of all, Livingstone has proved to be navigable for 700 or 800 miles inland, interrupted, it is true, by cataracts, but but still offering facilities for commerce; while its tributary, the Shire, gives access from the sea to the great Lake Nyassa, with the exception of about 35 miles of rapids not navigable as has been recently proved by Mr. Young of the Livingstone search expedition.

In the returns of trade between Portugal and her African settlements, no distinction is made between those on the west and east coasts; indeed they are kept so imperfectly that I am compelled to estimate them as follows, viz.:

Imports to Africa	£300,000
Exports from Africa.....	409,000

In marked contrast with the Portuguese, the Sultan of Zanzibar encourages European commerce, both on the island so named and on the coast over which he claims sovereignty, though his influence does not extend over the heathen tribes beyond the range of his forts. The rapid development of the Zanzibar trade, is a striking proof of the resources of Eastern Africa, and confirms the accounts which have reached us of its ancient prosperity. The island is 48 miles long by 15 to 30 broad. In 1861 it contained about 250,000 inhabitants, and is supposed in the three following years, to have increased to 300,000, consisting of Arabs, half castes, and settlers from India, together with negro slaves from the mainland; the latter carry on the cultivation, while all trade is in the hands of the Hindoos. In 1834 the trade of Zanzibar was reported to consist of a few imports from Arabia, and exports of gum and ivory to Bombay. In the year ending April, 1866, it was visited by sixty-six square-rigged vessels of

all flags, amounting to 21,000 tons, besides of Indian, Persian, and Arab craft 8,000 tons; and, taking an average of five years ending 1865 the

Imports were.....	£349,562
Exports were.....	877,801

Of these the largest proportion is with British India; the Germans and Americans come next; the British trade is however on the increase.

These results will show what might be done on the coast with settled government; but the island of Zanzibar is an Arab settlement, and I have to do only with what portion of the trade which is derived from the Ethiopic races on the mainland. It is the chief mart for ivory, and Baker mentions that when he reached the neighborhood of the Nyanza Lakes, he found the natives wearing cloth and possessed of other goods which had been passed from Zanzibar. From the last consular report, I find the imports from the mainland to have been, on an average of five years, equal to £225,000, exclusive of slaves.

A considerable trade has been carried on between Zanzibar and Lagos in cowries, of which there is here a fishery.

The Zanzibar dominions are the only part of Africa where the slave trade is legal. There are recognized importations into the island during a certain portion of the year, under a system of passes; during the last five years the average number entered at the customs has been 14,000 per annum, on which a duty of \$2 per head is levied. Adults are worth £2 to £7, boys and girls 25s to 50s. The slaves in Zanzibar are well treated, but, contrary to experience in America, they do not increase. General Rigby states that only 5 out of every 100 female slaves bear children; this he ascribes not to disparity of the sexes, but to their unwillingness to rear children, which will be sold as soon as they grow into sufficient value. It is uncertain how many of the slaves annually imported are exported from the island to the eastern markets, but it is thought not less than 6,000. The regulations alluded to are indeed but a mere cloak for a traffic carried on by the Arabs from places on the coast as far south as Mozambique, to ports in the Red Sea and Persian Gulf. These jointly with what are brought from the White Nile country and across the Great Desert from Central Africa, furnish slaves for Arabia, Syria, and Asia Minor, as far as Constantinople; while those carried to the Persian Gulf supply Mesopotamia, Persia, and the countries eastward as far as the Indus. The unhappy negroes are to be found sprinkled over the country, from the confines of Russia to Cashmere, and from the Indus to the Mediterranean.

The great difficulty we have experienced in our efforts to put down the Mahomedan slave trade, is due to its sanction by their religion. Slavery

has existed among eastern races from the remotest ages, and is in some respects necessary to their society as constituted. They do not, therefore, understand our views; hence the chiefs and rulers, even though willing, might be unable to suppress it; but in fact they not unfrequently derive much profit from the traffic. We have hitherto been restrained from putting it down with a high hand, because our policy in the East is considered involved, lest we should excite the hostility of the countries concerned. But our proceedings on the east coast, as yet, are calculated to irritate, rather than seriously interrupt the traffic. It has been suggested that the coast should be scoured by steam gunboats, capable of following the dhows into shoal water, which would be less expensive than the cruisers at present on the station; while some of these latter could be employed with advantage on the Red Sea, so as to intercept the traffic brought from the White Nile as it crosses to Arabia. The Egyptian Government has been induced to place a steamer on the White Nile to check the evil; and I trust before we have done with Abyssinia, that something may be arranged to hinder the transit through that country.

I come now to the caravan trade by camels from Morocco and Tripoli across the desert, which the Arabs and Moors carry on with Central Africa. We know but little of that between Morocco and Timbuctoo, except that the returns are chiefly in slaves. From Tripoli the caravans pass by way of Mourzuk to Bornou and Soudan—Kuka and Kano being the chief centres from whence branch caravans pass to other places. We are indebted to Denham and Clapperton, Richardson and Barth, for our knowledge of this commerce; and fuller details are expected in a work by Dr. Rohlf, now in the press in Germany. The cost of transport is about £30 per ton, independently of duties and exactions on every pretext, except where the caravan is strong enough to bear down opposition; it takes four months to cross the desert, so that the cost of goods at Tripoli is quadrupled by the time they reach Kuka and Kano. The returns are therefore chiefly in slaves, with the addition of a small amount in valuables, such as gold, ivory, ostrich skins, and a little antimony. Ordinary articles of produce would not bear the cost of transport.

The return caravans frequently include over 5,000 slaves; large numbers of whom die of hunger, thirst, and fever on the way—the routes being actually marked by the whitening bones of the wretched beings who have sunk under the fatigues of the journey. A whole caravan has been known to perish for want of water.

At Mourzuk the slaves are sold, at from £20 to £25 per head and from thence smuggled into Tripoli, Egypt, and the East. It is in vain that we have treaties with the Turkish and Egyptian Governments—the officials connive at the traffic; we have no means of enforcing the

treaties in the case of this inland slave trade, such as we have at sea; but it happens we have a more effectual means of extinguishing it by the readier access to Central Africa afforded by the River Niger, so that we can undersell by that channel those engaged in the caravan trade, and bring down returns in produce such as can be raised in abundance. As an example of how this will work, I may mention that a gentleman having ascended the Niger in a steamer direct from England, in a point within a few days journey of Bida, saw a caravan arrive there with European goods from Tripoli, part of the goods being loaf sugar made at Whitechapel! There can, in fact, be no doubt that as soon as the Niger trade has been developed, the caravan trade from Tripoli and Morocco will be extinguished, and with it will end the necessity of carrying back returns in the shape of human beings.

Having thus made the circuit of Ethiopia, I summarise its commerce with the civilized world in the following table: Table IV.

It is to be observed, that with the exception of ivory and gold, no legitimate commerce has yet been established with Central Africa. Europeans have in fact as yet traded with the natives dwelling on the mere outskirts of this vast territory, and though the trade on the west coast has reached respectable dimensions, it is still capable of being largely increased; and as I have shown, is rapidly increasing. That of the east coast is well nigh neglected.

The Arabs are the only people who have established a regular communication with Central Africa; by introducing the camel from Arabia, they were enabled to open paths through the desert, which had previously defied all efforts. By successive migrations they became in time the ruling power, introducing the Mahomedan religion and Arab civilization, the traces of which latter can be discovered to this day. They founded kingdoms, ample accounts of which have been transmitted to us by the Arab writers of the twelfth, thirteenth, and fourteenth centuries; while modern travelers have ascertained that these countries in Central Africa are now inhabited by a variety of races, some of them red or chocolate color, and differing in shades of black. The black tribes again range from those with high features, approaching the Caucasian, to the common Negro. Of all these races the Felatahs are the most warlike, and they are supposed to have emerged from the condition of a mere pastoral tribe, and to have founded their powerful empire of Sokoto, within a century from this time. They are still encroaching on their neighbors.

With the exception of some few nomadic tribes, the people for security live chiefly in large towns fortified by mud walls, sufficiently strong to resist ordinary attacks, and round these towns cluster agricultural villages.

The space within the walls is usually extensive, the houses are interspersed with cultivated fields, and this renders it difficult to estimate the population with accuracy; but it is certain that many of the towns contain as many as 50,000 to 60,000 inhabitants, though some travelers rate them as high as 100,000.

In all the towns markets are held every two or three days; large numbers from the neighboring villages attend them; and although their dealings would appear to us trifling, still there is everywhere shown a strong love of trade.

Cotton and indigo are cultivated, and in many towns there is a considerable manufacture of cotton cloth, noted for its excellent quality and the durability of its dye, which latter equals, if it does not excel, in quality anything done in Manchester. Besides cloth, there are manufacturers of leather, as saddlery, bags, cushions, &c. The art of smelting is understood, and in some places gold chains and ornaments are manufactured with creditable taste and skill. The trade of the blacksmith is everywhere plied. At the Exhibition of 1851, the late Mr. Robert Jamieson exhibited some specimens of native copper ware, tinned inside, rudely done no doubt, but proving they possess that as well as several other useful arts.

Salt is a prime article of commerce; it is brought by caravan from certain points in the great desert, and likewise from the coast.

Some of the canoes on the Niger, approaching the sea, are large enough to convey upwards of one hundred people; and Park saw one as high up the river as Sogo, carry four horses and six or eight men.

The medium of exchange differs in various places. In Kano it is cowries; in Bornou cloth; in Loggun iron, where indeed, in Denham's time, a kind of iron coinage was in use, and Baikie saw the same thing in 1854, when he ascended the Tchadda. In general, in all important transactions, the value is expressed in the price of a slave.

The religion of the dominant races is Mahomedan. The only written character is the Arabic, and the Koran is, of course, read in all mosques—though sometimes the reader does not understand a word, and the hearers very seldom, if ever.

Disputes are adjusted by palaver, when professed advocates, who can expound the Koran, conduct the cause of the litigants, often with much ingenuity. These palavers are, indeed, everywhere a marked feature of the native races, as they are, one and all, noted for loquacity.

The proportion of slaves to free population differs in various countries. At Kano, Clapperton says the free population was in the proportion of one to thirty slaves; other travelers estimate in other places the proportion of slaves to vary from two-thirds to four fifths. There is, however, a

wide difference between the domestic, or born slaves, who form the bulk, and slaves who have been purchased or captured. The domestic slaves have certain well established rights, only give up a portion of their time to their masters, and cannot be sold out of their districts except for crime, adjudged in due form by palaver. In short, it is rather a mild form of serfdom than slavery.

All these facts bespeak a certain security of property and industry protected, as well as the elements of civilization. There are, however, no traces of antiquity—no works of art—and it is wonderful that so much of the Arab civilization should have survived, amid the constant slave hunts and wars which for three centuries have prevailed to supply the demand for slaves for America. That demand has only now ceased, so that slaves are no longer sent down from these countries to the coast, and they are, therefore, ripe for legitimate commerce. To this rich and populous region there is ready access by the river Niger, next in size to the Nile, but destined to play a still more important part in the civilization of Africa, affording as it does, together with its equally important branch, the Tchadda, a noble highway to the very heart of the continent.

The history, too, of the Niger is not a little strange. The sources of other great rivers have frequently been the object of curiosity, but the Niger alone has been distinguished by the interest attaching to its junction with the sea. Its existence was successively known to the Egyptians, Greeks, Romans and Arabs, the latter, indeed, having settled on its banks at Timbuctoo. An enormous body of water was known to flow eastward towards the great desert; it was supposed to be lost in the sands of Sahara, or to be a branch of the Nile; and other theories innumerable were from time to time put forth, until 1830, when the problem was solved by Richard Lander, who, extending the previous achievements of Park, followed its lower course to the sea, and laid open the long-coveted channel for commerce with Central Africa.

The first attempt to render Lander's discovery available, was by a company formed in Liverpool, which sent out an expedition consisting of two steamers, accompanied by the late Mr. McGregor Laird, who published an interesting account of its proceedings and misfortunes. Having entered the river too late in the season, the steamers grounded at the confluence of the river Tchadda. Out of forty-eight men nine only survived, and the capital of the company was lost.

Mr. Robert James Smith, a merchant of Glasgow, next fitted out a steamer in 1839. His operations were commercially unfavorable; but they added greatly to our knowledge of the Niger and its delta, besides exploring the rivers Benue and Old Calabar. The loss of life, though great, was not so deplorable as on the previous attempt.

In 1841 followed the well known government expedition, which cost the country upwards of £200,000, and accomplished absolutely nothing. The failure of the expedition was foreseen by Mr. Jamieson and Mr. Laird, while the late Mr. Thomas Stirling wrote to Lord John Russell predicting, with marvelous accuracy, the misfortunes which ensued. Though the sickness was general, the loss of life did not exceed fifty-three out of a complement of three hundred and three.

In marked contrast with this deplorable failure was the expedition fitted out by McGregor Laird in 1854, at his own risk, but partly assisted by government. Under charge of Dr. Baikie the steamer ascended the Tchadda three hundred miles beyond the point previously reached, and returned to Fernando Po, after having been in the river one hundred and eighteen days, without the loss of a man. This gratifying fact, so different from all previous experience, was due to better sanitary arrangements and the use of quinine as a preventive; also to the plan of manning the ship with blacks, and sending the smallest possible complement of Europeans to officer the ship and work the engines. By the observance of these rules the frightful mortality has been obviated, which previously was the sure attendant of a river expedition.

Notwithstanding that this expedition was mainly one of exploration, the produce picked up in exchange for outward cargo realized £2,000.

Encouraged by these results, Mr. Laird entered into a contract with her Majesty's government, binding himself for a small subsidy to maintain steam communication on the river and its tributaries, and to carry goods and passengers for all who might offer. He further embarked a considerable capital in trading stations at various points on the river.

In 1857 the returns realized about.....	£4,000
In 1858 owing to various drawbacks they were....	2 500
In 1859 they realized about.....	8,000

In 1860 there was no ascent, owing to the hostility of the natives in the delta and the absence of a promised convoy. This, however, led to the conclusion that the best way to remove the hostility of the people in the river and delta is to trade with them at proper intervals, since it was proved on this occasion that their hostility arose, not from the presence of white men in the river, but because the steamers gave them the go-by, whereas they have been in the habit of levying dues on all canoes passing up and down.

Unhappily, while maturing these plans, Mr. Laird died in 1861, and it became my duty as his executor to close up these most interesting operations. Accordingly the steamer made its final ascent in 1861, and the year's trading in the delta and river realized £10,000.

During the next four years a gunboat was sent up annually with a sp-

plies for Dr Baikie at the confluence, where he held the post of agent for Her Majesty's Government, a post which has since been raised into a consulate, and is now held by Mr. Lyons McLvor'.

The Niger enterprise has since been taken up by a Manchester company, unsupported by a subsidy. In 1865 they sent a steamer up to the confluence with a well-assorted cargo and an experienced agent, which resulted, I understand, in the most successful year's trading yet attained. The operations of 1866 and 1867 have not transpired, but if not equally successful it has not been due to any inherent obstacles, but rather to the limited scale on which they have been conducted. Whatever may be the result of the spirited operations of this company, they have certainly made valuable additions to our stock of experience.

The truth is, that at present no steamer will pay her expenses on the river. The caravan trade has to be diverted gradually from the desert routes to Tripoli and Morocco towards points on the rivers Niger and Tchadda. New markets have to be established, and new industries have to be created, to supply returns in produce, before the traffic will suffice to cover the heavy expense of steam navigation. Returns will be obtained in ivory, shea butter, indigo, and other articles of produce, and already the native traders, availing themselves of the steamers, have brought down native cloths made in the interior, tobacs, fine mats, and other goods, which sell well on the coast. But to effect any good in the Niger steam navigation is indispensable; and to maintain this, a subsidy for five years I consider would suffice, as by that time it would become self-supporting. Whoever embarks in this enterprise without a subsidy, must be prepared to incur heavy loss for several years, merely if successful, to open the way to others who would be eager to reap the fruits of his outlay.

Impressed with these views, I urged on the Government the advantage of continuing the subsidy granted to the late Macgregor Laird, to whoever would carry out his plans, with such amendments as experience has since suggested. These were, to place suitable steamers on the river for a monthly service to the confluence during eight months of the year, while it is navigable for cargo vessels; to offer every inducement to the native traders (educated blacks from Sierra Leone and Liberia) to enter into the trade and become a useful class of middlemen; to employ them freely as clerks and agents under European superintendence; to form trading stations at proper intervals, and keep the same stocked with goods, so as to obviate the hostility of the natives, and thus make sure of the ground as far as the confluence; operations could subsequently have been pushed up the Tchadda in sea-going steamers 300 miles above the confluence, or 570 from the sea, and up the Niger 470 miles from the sea to the rapids near Boussa, beyond which the Niger is

again available for transport through a fertile country as far as Bamma-
koo, a distance of nearly 1,000 miles.

An influential company offered to embark £30,000 in steamers and
trading stations to carry out these oporations, stipulating for a subsidy of
£8,000 per annum for five years, which they considered would be equiva-
lent to sharing the loss on the first two or three years equally between the
Government and the company. I regret to say, that although t is offer
was approved by Lord Palmerston, and recommended for adoption by
Lord Russell at the Foreign Office, in which department the matter orig-
inated—the scheme was vetoed at the Treasury.

I trust I may be excused for dwelling so long on the Niger enterprises,
because it is impossible to overestimate the importance of that majestic
river as the only available highway to the Mahomedan countries of the
Soudan—populous, productive, and semi-civilized—the key to the regen-
eration of Africa.

In conclusion, I may be allowed to express a hope that the success which
has at length crowned our efforts for the suppression of the slave trade on
the west coast, may not lead to a premature withdrawal of the squadron
and the relaxation of our vigilance—but rather that the same system may
be extended to the east coast, so that a flourishing trade may be estab-
lished there as it has been on the west—that we may press for more strin-
gent treaties with Persia and Turkey, Egypt and Muscat, so that the sea-
borne slave trade may be stamped out wheresoever it may be found—
and that although we cannot directly reach the inland slave trade it may
be as effectually extinguished by the encouragement of steam navigation
on the Niger. By these means it may be that the gloom which has for
long ages settled upon this great continent, will, in our time, be lifted up,
and the dawn of commerce, civilization, and Christianity be hailed
througout the length and breadth of Africa.

APPENDIX.

I—RETURN OF THE NUMBER OF SLAVES EXPORTED FROM THE WEST COAST OF AFRICA
SINCE 1848.

Year.	Imported into Brazil.	Imported into Cuba.	Imported into Portu- guese Col.	Captured by Her Majesty's cruisers.	Total exp'd
1848.	60, 00	No return	....	8,972	68,972
1849.	54,061	8,700	....	4,774	67,485
1850.	22,856	8,100	....	6,650	32,606
1851.	8,287	5,000	....	1,020	9,807
1852.	800	7,924	....	237	8,961
1853.	None	2,500	....	None	2,500
1854.	None	11,400	....	None	11,400
1855.	90	6,408	....	90	6,588
1856.	No slaves imported since the year 1855	7,804	....	None	7,804
1857.		10,486	....	1,408	11,844
1858.		16,992	....	38	17,026
1859.		80,478	....	983	81,461
1860.		24,895	....	2,656	27,550
1861.		23,964	900	3,233	28,102
1862.		1,254	561	1,989	13,804
1863.		7,007	16	1,425	8,947
1864.		6,807	....	817	7,124
	141,094	184,664	1,477	30,696	357,930

II.—TRADE OF THE UNITED KINGDOM WITH THE WEST COAST OF AFRICA.

Year.	Real value of imports to United Kingdom.	Real value of exports from United Kingdom.	Ivory. Cwt.	Gold and silver imported to United Kingdom.	Gold and silver exported from United Kingdom.
1857....	£1,062,000	£1,492,000	2,000	{ Not given separately before 1858	West coast ret
1858...	1,776,000	1,189,000	2,000		given separately before 1862
1859....	1,690,000	1,244,000	1,000	114,000	
1860....	1,920,000	1,558,000	1,000	101,000	
1861...	1,710,000	1,559,000	1,000	80,000	
1862...	1,950,000	1,626,000	1,000	106,000	54,000
1863...	1,608,000	1,275,000	1,000	78,000	5,000
1864...	1,360,000	1,102,000	1,000	120,000	67,000
1865....	1,750,000	1,325,000	2,000	132,000	4,000
1866....	1,971,000	1,366,000	3,000	139,000	60,000

Note—Average of ivory for ten years, from 1830 to 1840, 2,154 cwt.
1857 to 1866, 1,672 cwt.

III.—PALM OIL IMPORTED INTO THE UNITED KINGDOM FROM THE WEST COAST OF AFRICA SINCE THE YEAR 1790.

[Tons in this table given in round numbers.]

Year.	Tons.	Year.	Tons.	Year.	Tons.
1790....	100	1816...	1,200	1842....	21,000
1791....	200	1817....	1,500	1843....	2,400
1792...	200	1818...	1,500	1844...	20,700
1793....	200	1819....	3,700	1845....	25,000
1794....	100	1820....	800	1846....	18,500
1795...	100	1821....	5,100	1847....	23,500
1796....	Records burnt.	1822...	3,100	1848....	25,500
1797....	100	1823....	3,800	1849....	24,500
1798....	200	1824...	4,700	1850....	25,400
1799....	200	1825....	4,300	1851....	30,400
1800....	200	1826....	1,000	1852....	26,400
1801....	200	1827....	4,800	1853....	31,500
1802....	400	1828....	6,300	1854....	37,600
1803....	500	1829...	9,000	1855....	40,500
1804....	300	1830....	10,700	1856....	39,300
1805....	200	1831....	8,100	1857....	42,700
1806...	400	1832....	10,900	1858....	38,700
1807....	100	1833....	11,800	1859....	38,900
1808....	500	1834....	13,500	1860....	39,500
1809....	700	1835....	12,900	1861....	35,700
1810....	1,300	1836...	14,900	1862....	42,100
1811....	1,200	1837...	11,100	1863....	38,700
1812....	600	1838....	14,600	1864....	32,500
1813....	Records burnt.	1839....	17,200	1865....	37,100
1814....	1,000	1840....	15,800	1866....	39,000
1815....	2,000	1841....	19,900		

IV.—SUMMARY OF THE TRADE WITH THE COLORED RACES OF AFRICA, INCLUDING MILLION AND SPECIE.

[sums in this table given in round numbers.]

	Imports into Africa	Exports from Africa.	Memoranda.		
			Ave of 3 years end'd		
United Kingdom.....	£1,874,000	£1,957,000	"	4	1864
France.....	767,000	1,058,000	"	3	1865
Belgium.....	8,000	25,000	"	4	1863
Spain.....	4,000	2,000	"	2	1864
Portugal.....	300,000*	409,000	"	3	1865
Holland.....	81,000	93,000	"	3	1864
Germany.....	76,000*	50,000	"	3	1864

	Imports into Africa.	Exports from Africa.	Memoranda.
United States.....	879,000	484,000	Year 1861.
Brazil.....	84,000	80,000	Ave of 3 years end'd 1864
East Indies	156,000	227,000	" " " 1864
Cape Good Hope and Natal	180,000	180,000*	Estimate.
Egypt.....	50,000*	75,000	{ Ivory to U. Kingdom and France, ave. of 6 years.
Barbary States.....	150,000	71,000	
	<hr/> £3,580,070	<hr/> £1,687,000	Ave of 2 years end'd 1864
Miscellaneous (say).....	100,000*	100,000*	
	<hr/> £4,680,000	<hr/> £4,787,000	

THE FINANCIAL OUTLOOK.

Two opposite opinions are held in regard to the prospects of the money market in the immediate future. The more hopeful view is, that the spasms we have had during March, April, and June have inspired the business community with so much caution, and have tended so strongly to prevent the inordinate inflation of credits, that there is more soundness and strength among the timbers and girders and buttresses of our financial edifice, and therefore less probability of any untoward catastrophe. The opposite opinion is, that the profits of business have for a long time been small and precarious, while the whole of our credit system is in a feverish, excitable condition, the money market, like a patient with depressed vitality, has suffered so much from recent shocks as to have less strength and elastic vigor to recuperate. The inference is that there cannot be much improvement for the present, and that we may have some great financial convulsive crash.

Probably the most notable aspect of these various phases of public opinion in regard to the money market is the uncertainty which every one feels as to his conclusions. Never since the close of the war has such an anomalous state of things prevailed. Very few persons can be found who can give any reasonable connected explanation of the reasons why, contrary to all precedent and in defiance of the usual laws which are supposed to govern monetary affairs, the very season of the year when we usually have the easiest money market has witnessed a spasm so severe as that of the last week. Failing to explain the past, it is obvious that our business men are at fault in regard to what is to come, and when they attempt to forecast the events of the future they show a restless anxiety and an uncomfortable want of confidence which are equally paralyzing to industrial enterprise and adverse to commercial activity.

* Items which have been estimated.

Between the two opposing views to which we have just referred there is a third and more prevalent opinion, which, though less gloomy than the one and less hopeful than the other, is, perhaps, more free from errors and more broad in its analysis of the phenomena of the financial outlook. This opinion rests on the fact that the trouble in the money market does not arise from any great catastrophe which has impoverished the nation or impaired any considerable part of its productive powers. It is impossible to traverse any part of the United States, in the North or in the South, without the conviction that in all the elements of material wealth there is a gratifying and rapid advance. Railroads are being extended, new manufactories, residences, and other buildings are rising up around us, and wherever we go in agricultural districts or in manufacturing centres there is offered to the eye the same evidence of investment of capital in productive enterprises. In fact it is this very conversion of floating capital into fixed capital, to which we have again and again pointed as one of the dangers of the financial situation. Months ago we predicted that trouble would come from this cause, and we appealed to history and to experience to show that, both in England and in this country, seasons of rapid conversion of floating capital into fixed forms never fail to disturb the loan market and to deplete that reservoir of loanable floating capital, from which the banks and lending institutions supply the wants of commercial borrowers.

The second point insisted on is connected, not with capital, but with the currency, by means of which the movements of capital between lender and borrower are kept lively and elastic. It is a law of finance that when too much currency is afloat the movements of capital are too active and lead to inflation and speculative mischiefs, and pave the way for subsequent depression, just as inordinate excitement and fever in the human organism brings on languor, depression and weakness. When, on the other hand, the volume of currency is too small, the active energies of business are paralysed, and spasms and convulsions of greater or less extent seldom fail to supervene. Now, it is for this reason that contraction of the currency produces so much harm, except it be done at the right time and in the right way. And there are three facts which in this connection should be steadily kept in view. The first is, that in consequence of the great number of small farmers who are producing the Southern crops, a more ample volume of currency is needed to move these crops. Sixty millions of currency went South during the early months of this year, one-half of which has not returned, and perhaps will never make its appearance here again, except as worn-out notes, to be replaced by new currency. Such a heavy depletion of the circulating current could not possibly take place without producing trouble. Secondly, we have had the further absorptive

of currency into the Sub-Treasury, which was perhaps unavoidable for reasons to which we adverted last week; and thirdly, we find that the banks of this city are unusually poor in currency reserve. They hold no more than \$49,612,000 in greenbacks and greenback certificates, while the Treasury itself has but nineteen millions of currency in all its depositories throughout the country. Last June the Treasury held thirty millions and our city banks seventy-two millions. Thus we see the aggregate is now less than that of last year by the vast sum of thirty-four millions of dollars. We need offer no farther evidence of the vast extent to which the circulating medium has been absorbed.

Now, what is the practical inference from all this? The most important conclusion undoubtedly is, that our monetary troubles do not arise from our growing poorer. We are growing richer as a nation; and the present throes and spasms which convulse the money market now and then are premonitory, not of weakness and decadence, but, like the morbid troubles and temporary maladies incident to infancy and youth, they give the promise of a healthy growth and a more vigorous prosperity when they shall have passed away. They remind us that we are a vigorous young nation, and are suffering some of the troubles of youth. It is clear that the monetary derangement which troubles us is due rather to superficial defects in our financial machinery than to any fatal mischiefs which lurk deep in the vitals of the body politic and threaten its growth, its permanence or its progress. If, then, we scarcely dare to hope for quite as swift a recuperation as the more hopeful observers predict, we are quite sure that the croakers will now, as heretofore, turn out to be false prophets.

THE BANK CONVENTION.

On Wednesday the National Banks held a convention at the St. Nicholas Hotel, in this city, and delegates were present from almost every State in the Union. The object of this meeting was to organize a voluntary association comprehending all the National Banks in the United States for the purpose of enabling these institutions to act together as a unit in matters of common concern. The organization has been duly made and the association, for good or for evil, is now in full operation. Some of the leading bankers in New York and other financial centres have long been of the opinion that to promote the internal efficiency of the banks all over the country, there should be between them some closer bonds, some more intimate union, than is established by the National Currency law, and by the Banking Bureau at Washington. To carry out this purpose several meetings have been convened, and notwithstanding the

difficulties which arose from the opposition of a few of the banks, and from the apathy and indifference of others, these gentlemen persevered in their plans, and, as we see, the contemplated association has been at length consummated. To give due efficiency to a voluntary organization of this sort, it is of course indispensable that the banks generally should join it, and that its powers, duties and aims should be definitely known. It is also important that its executive officers should be men of enlightened views, and that the public good, rather than the private interests of the banks, should be the paramount objects to which the efforts of the organized body should direct themselves. We are on the eve of great financial changes, and the anomalous condition of monetary affairs indicates coming trouble. Never before at this season of the year has the money market been so stringent, spasmodic, and feverish as now. The public mind is busying itself more and more with financial questions. There is a strong probability that in the next session of Congress there will be a stormy discussion of some of the leading financial topics. Under the pressure of public distress there will be a rigid scrutiny of the monetary machinery of the country, and if it should appear that the banks are to blame for any part of the trouble, the privileges and franchises of these institutions may be assailed, and the banking system itself may be in jeopardy. We have no desire to play the part of alarmists, but it must be obvious to every dispassionate observer that, under the circumstances to which we have adverted, great advantages to the banks themselves, to the monetary condition of the country, and to Congress which will have to legislate regarding both, will be secured if there is some central organization among the banks themselves which is actively at work to correct evils, to give full efficiency to the banking system, and to bring it into harmony with the general interests of the country. That the foremost men among our banking leaders are alive to the perils of the financial situation, and anxious to apply a remedy for the evils of the National banking system, there is abundant evidence in the speeches which were delivered at the Convention. We are glad to hear that an official report of them is to be printed in pamphlet form for distribution among the banks. In the opening address of the Chairman, the Hon. E. G. Spaulding, of Buffalo, we find the following remarks about the association, which are of general interest:

The first National Bank Convention was held in this city in October, 1861, for the purpose of organization and a concert of action in regard to matters of common interest pertaining to all national banks organized under the National law. That Convention was held while the system was being put into operation and before the State banks had generally decided to become National banks. Many changes have taken place since that time. It was thought best to call a new Convention, have general notice given, and obtain if possible a full delegation from all parts of the country for consultation. What was then regarded by many as an experiment is now

an accomplished fact. The National Bank system is now in full operation under the law, and is a decided success. It has been tried, and is now generally conceded to be the best banking system that has ever been devised. It is of incalculable benefit to the commerce of the country. It has not yet been fully perfected in all its parts. There is no proper redemption of the national currency, and there cannot be until there is a general resumption of specie payments.

The banks are so interwoven with all the business interests of the country that their joint co-operation and good management is of great consequence to themselves as well as the government and business community. It is very apparent, also, that there is a community of interests between the banks, the government and people, and that all are interested in the prudent and successful working of the system and an ultimate return to specie payments.

The object of this Convention is to make a new organization, which will aid in perfecting the system and as far as possible accomplish the beneficial purposes intended by their organization, namely, sound and well-managed business banks, and a prompt redemption of their currency in gold and silver. It is very obvious that the country must pass through an important crisis before we reach specie payments, and that there must be mutual aid and co-operation by all parties in accomplishing that result.

Banking is eminently a practical business. It requires skill and good business capacity equal to that of any other business. It is the especial duty of the government to protect the billholders, who are not able to protect themselves, against loss in case of failure of the banks. The government has performed this duty well. The security is ample, and the government guarantees the billholders against all loss. The other operations of the banks should be managed by the officers and directors, like other matters of business. The business affairs of the banks can be much better managed by the officers of the banks themselves than by the government, or by any officer of the government. In the first draft of the National Bank bill the chief officer of the Bank Department was called "Bank Comptroller," which seemed to imply that he should have control over the business operations of the banks as well as the currency; but, upon mature consideration, the bill was changed, so that in the law as passed he is called "Comptroller of the Currency" which implies a more limited control over the operations of the banks. The law has been amended from time to time, and as it now stands confers on this officer important powers and duties; but I do not propose to discuss them at this time. I only desire to say that the Free Banking law of New York worked remarkably well for twenty-five years, and was very popular, for the reason, mainly, that it was open to all. The currency was well secured, with strict rules for its prompt redemption in gold and silver, while the business of the banks was left to the management of its officers, without very much interference by the State or the Bank Superintendent. The Treasury Department and old banks were compelled by the exigencies of the war to suspend specie payments in December, 1861 more than two months prior to the issue of any legal-tender notes; and we must return to the point of departure before the national finances or banking can be placed on a sound and reliable basis. As soon as specie payments are resumed it would no doubt be safe and better for the country to throw open the bank law and make it free to all. Banks would then be established where the business wants of the country would require them. Secure the billholder perfectly, require prompt redemption in coin, with ample resources for that purpose, and the requirements of business would take care of the rest. But when will specie payments be resumed? This is a difficult question to answer. If the Supreme Court should decide the legal-tender clause unconstitutional in rendering judgment upon the Kentucky case, which has been argued and submitted, it would compel a return to specie payments at an early day. But if no such decision is made, it is very uncertain when resumption will take place.

There is one point to which we regret that the Convention did not pay more attention. We refer to the inadequacy of the legal-tender reserve. Too much of the reserve is locked up by our banks in the form of interest-bearing certificates, and too little in the available greenbacks. It is not improbable that if the banks had held more greenbacks, and had been fortified by a more available reserve, the drain of sixty millions of currency

to the South would not have produced the monetary troubles of March and April, nor would the locking up of thirty millions of currency in the month of May have brought on the stringency under which the loan market is still tremulous and suffering. Instead of reproaching Mr. Boswell for the recent financial spasms, not a few persons are already pointing to this condition of the bank reserves as sufficient cause for these monetary disturbances.

IMMIGRATION.

A Liverpool despatch of the 15th inst., says there seems to be no diminution of the tide of emigration to America, over six thousand men, women and children having left that port alone for New York during the week. It appears from the returns of the emigration agents at Liverpool, that, in the month of May, there sailed from that port 37 ships with 26,312 passengers, of whom 7,786 were English, 679 Scotch, 4,237 Irish, and 13,600 of other nationalities, chiefly Germans; of the whole number, 21,195 passengers were for the United States and the remainder for Canada; the total emigration for the month was 27,080 against 19,748 in May, 1868. Turning to the statistics of Castle Garden, we find that the whole number of immigrant passengers landed here from January 1 to June 1, was 101,329, against 76,116 for the same months of last year, showing an increase for that period of about 30 per cent. For the first seven days of the present month, the number landed at Castle Garden was 10,978. The returns at this port are not made up in such a way as to indicate the nationality of the immigrants, any further than may be inferred from the ports from which they sailed, as given in the following statement showing the number sailing for the United States from the principal foreign ports from January 1 to May 31:

From—	Vessels.	Emigrants.
Liverpool	11	51,729
London	21	3,979
Glasgow	25	2,258
Hamburg	28	13,205
Bremen	50	1,076
Antwerp	9	77
Copenhagen	8	2,671
To a	240	101,329

One notable feature in the arrivals is the increase in the number of English emigrants and the falling off in the Irish, the number of the latter leaving Liverpool in the month of May being little more than half that of the former. The German element preponderates very largely. Of the total arrivals, about one-third sail direct from German ports; while of the departures from Liverpool nearly one-half are Germans. Taking the month of May as a basis of comparison, we find that the Germans constitute about 60 per cent of the whole. The present influx differs from that of former years in that it is not a drain of the pauper population of

Europe. The arrivals consist very largely of the better class of emigrants, including well trained mechanics and operatives, and agriculturists possessed of moderate means. The latter class generally proceed directly to the West to settle upon lands and cultivate them with their own thrift and labor, while the former seek employment in our workshops and factories.

It is not improbable that this extraordinary immigration has been stimulated by the naturalization treaties lately concluded between the United States and European Governments. The main cause, however, is to be found in the superior inducements to labor offered by this country. The recent wars in Europe have produced a protracted depression of industry, while they have increased the burthens of the people. The military system of Germany has been felt to be a severe tax upon the services and lives even of the working classes, from which they are naturally desirous to escape. And, although we too have had a devastating war, yet the absence of subsequent suffering and the rapid recuperation from its effects, have been a wonder to foreign nations improving our credit and exhibiting us before the world as a people who better than any other can endure the greatest of national disasters. With all the evils of the war, it has yet served to show in a striking light our strength, our cohesion, and our recuperative force; and in this aspect, our Government commands greater confidence than the masses of Europe are disposed to award to their own systems.

These accessions of foreign population are what the country peculiarly needs. The great economic requisite of the times is an enlarged production, with a moderate consumption. The immigrant is eminently a worker. For a time, at least, he produces more cheaply than our old hands, and in accordance with his thrifty training, he consumes less than he produces; and in this way a freer influx of foreign population contributes to the recuperation of our stocks of products and the cheapening of prices. It may be safely estimated that the accessions of Europeans, from the beginning of the war to this time, far more than compensate for the loss of laborers in the North attendant upon the war. In this fact we may find an explanation of the circumstance that the after-suffering of the great struggle has been so much less than we have been led to expect from the experience of other countries. The movement is a national effort at the equalization of the labor markets of the Old World and the New. Its effect in Europe will be to relieve the ranks of labor of the surplus, which produces little and depresses the masses; while, here, it will supply a deficiency of labor which is injuring the community at large and not even benefiting the operative classes themselves.

THE GOLD MOVEMENT.

The specie movement at New York, since January 1st, presents some irregularities which require to be understood by those interested in the course of the gold premium. It was very generally expected that, owing to the wide disparity between the imports and the exports of the country, we should have to ship during the spring and summer months a large amount of gold to Europe. This expected result, however, has not been realized. The passage of the Public Credit bill and the subsequent enforcement of the Sinking Fund provisions gave an impetus to the European demand for our bonds, which resulted in our sending out during March, April and May a very unusually large amount of securities, thereby saving the remittance of a corresponding value in the precious metals. Had it not been for these large exports of bonds, there can be little doubt that we should have shipped fully as much specie as last year, when, for the first five months, the total reached \$37,279,000. But instead of this we have exported, during those months, this season only \$13,116,000, or \$24,163,000 less than in 1868, and \$4,755,000 less than in 1867, as will appear from the following comparison :

EXPORTS OF SPECIE AT NEW YORK FROM JAN. 1 TO MAY 31.

1869	\$13,116,000
1868	37,279,000
1867	17,464,000

The export of bonds even went so far as to usually turn the flow of gold at one period in this direction; so that while our shipments of specie were unusually light, we received, for a time, heavy remittances of coin from Europe. During the first five months of the year \$9,997,000 of gold and silver arrived here, against \$3,200,000 for the same time in 1868 and \$1,057,000 in 1867, as the following figures will show :

IMPORTS OF SPECIE AT NEW YORK FROM JAN. 1 TO MAY 31.

1869	\$9,997,000
1868	3,200,000
1867	1,057,000

Under this exceptional movement, however, it is to be remarked that we had no extra supply of gold upon the market, and the premium has ranged little, if at all, below the usual average for this season during late years. On the 1st of June, the specie in the banks was only \$10,000 above the amount at the same period of last year, and was nearly \$3,000,000 less than on January 1st; while the amount of coin held on deposit in the Treasury was \$3,696,000 less on June 1st than on January 1st. The following statements show respectively the coin in the banks and on deposit in the Treasury on January 1st and June 1st :

SPECIE IN NEW YORK BANKS JANUARY 1 AND JUNE 1.

	1869.	1868	1867
January 1.....	\$20,711,000	\$12,724,000	\$17,185,000
June 1.....	17,711,000	11,861,000	14,185,000

COIN CERTIFICATES OUTSTANDING JANUARY 1 AND JUNE 1.

	1869.	1868.	1867.
January 1.....	\$7,044,000	\$20,104,000	\$16,441,000
June 1.....	28,840,000	20,281,000	17,844,000

The fact of the supply of gold on the market not having been augmented, under the exceptional course of the exports and imports of the precious metals, above noted, appears to be susceptible of easy explanation. (1). The receipts of treasure from California have been unusually light. During the five months under review we have received, via Aspinwall, \$7,406,000 less than in 1868 and \$2,651,000 less than in 1867, which was a period of very light receipts. To whatever cause this falling off in the supply of new gold is to be attributed, it must be accepted as an important fact in the current movement, modifying the effect which must otherwise have resulted from the unusual course of the foreign shipments and arrivals. The following figures show the arrivals of California gold, by steamer, for the first five months of the year:

RECEIPTS OF CALIFORNIA TREASURE AT NEW YORK FROM J. N. TO MAY 31.

1869.....	\$7,789,000
1868.....	15,135,000
1867.....	10,444,000

(2). The unusually heavy payments on account of customs have tended to keep down the market supply. The receipts from duties at this port, for the five months, were \$7,285,000 in excess of last year and \$3,427,000 over those of 1867, as will be seen from the following comparison:

CUSTOMS DUTIES PAID AT NEW YORK FROM JAN. 1 TO MAY 31.

1869.....	\$5,097,000
1868.....	47,722,000
1867.....	51,650,000

(3). A still more important explanation is found in the circumstances that the Treasury sales of coin, up to June 1st, fell materially short of those of previous years. Through the courtesy of the Assistant Treasurer we have been enabled to ascertain the precise amount of the sales at the Sub Treasury, from which it appears that the amount coming on the market from this source, from January 1 to May 31, was less this year than last by \$18,248,000 and less than in 1867 by \$22,399,000. The following figures, compiled from Treasury documents, show the Government sales of gold at New York for the first five months of the years 1869, 1868 and 1867:

SALES OF GOVERNMENT GOLD AT NEW YORK FROM JANUARY 1 TO JUNE 1.

1869.....	\$7,000,000
1868.....	5,215,000
1867.....	29,999,000

While, however, the Treasury has sold \$18,248,000 less than last year, it has paid out in coin interest, at this point, \$8,523,000 more than then; so that really the supply coming out of the Treasury is only \$9,725,000

*There were no receipts of gold overland by railroad from San Francisco before June.

less than in 1868. The interest payments of the Treasury, for the five months, compare as follows:

PAYMENTS OF GOV'T INTEREST AT THE NEW YORK SUB-TREASURY FROM JAN 1 TO MAY 31.		
1869	.....	\$12,471,000
1868	.....	\$12,914,000
1867	.....	\$2,140,000

With increased receipts from customs and reduced sales of coin, and with this gain only partly counterbalanced by the enlarged payments of interest, the Treasury has, of course, augmented its stock of gold. On the 1st of June, the amount of gold owned by the Government was \$12,110,000 greater than at the same date of 1868 and \$1,394,000 more than in 1867, as will be seen from the subjoined statement, in which we give also the amount owned on January 1st:

GOLD OWNED BY GOVERNMENT ON JANUARY 1 AND JUNE 1.			
	1869.	1868.	1867.
January 1.....	\$71,727,000	\$ 4,426,000	\$21,321,000
June 1.....	82,040,000	69,930,000	61,144,000

From the foregoing details, we are able to draw a comparison of the course of supply and withdrawals at this city for the five months, of necessity omitting certain minor items of which there is no available record. The supply coming upon the market from various sources, compares thus:

SUPPLY OF COIN AND BULLION AT NEW YORK FROM JAN 1 TO MAY 31.			
	1869.	1868.	1867.
Imports.....	\$9,079,000	\$2,200,000	\$1,571,000
From Cal for it.....	7,100,000	1,145,000	10,400,000
Treasury interest.....	42,711,000	8,148,000	27,100,000
Treasury sales.....	7,000,000	25,242,000	29,321,000
Total supply.....	\$65,890,000	\$35,695,000	\$68,392,000

It thus appears that the supply received from January 1 to May 31 is \$11,152,000 less than in 1868 and \$1,697,000 less than in 1867. On the other hand, the withdrawals, through exportation and payment of duties, have been \$16,878,000 below 1868, and \$1,328,000 below 1867, as will be seen from the following statement:

WITHDRAWALS OF SPECIE FROM NEW YORK MARKET FROM JAN. 1 TO MAY 31.			
	1869.	1868.	1867.
Exports.....	\$13,116,000	\$ 7,000,000	\$17,211,000
Pay for Customs.....	55,657,000	47,772,000	51,000,000
Total.....	\$68,773,000	\$54,772,000	\$68,211,000

With \$11,152,000 decrease in the supply and \$16,878,000 less withdrawn, there should be on the 1st of June \$5,726,000 more gold on the market than at the same period of last year; and, consequently, we find an increase of \$3,042,000 in the amount of Coin Certificates outstanding on June 1st.

What may be the course of our exports of specie for the next few weeks, we do not at present propose to consider. It will be seen however, from a survey of the foregoing statistics, that the supply, both in the Treasury and on the market, to meet the export requirements, does not vary materially from that of the last two years.

MR. BOUTWELL AND THE MONEY MARKET

There can be no question that Mr. Boutwell's policy of absorbing currency into the Treasury during the dull summer season, with a view to restore that currency to the channels of business when the active fall trade begins, is founded on a sound basis of experience and of enlightened principle. It is well known that at this time of the year less currency is needed to do the business of the Country than in the spring and fall. Under the old State banking system the banks issued new notes to meet the increased demand for currency in active seasons of the year, and these notes, when they had done their work and were no longer wanted, returned to the issuers for redemption. Thus a return-current was kept up, which gave elasticity to the currency and made it expansive to the wants of our internal trade, expanding and contracting as the necessity for currency became less or more. Under the National banking system no such beneficial elasticity prevails. The banks are allowed to issue just so much currency, and no more. It is for the gain of each of these institutions to keep out as large an amount of notes as it is permitted to issue. The government endorsement of these bank notes, and their availability for payments into the Treasury all over the country, gives them a credit far beyond that of the old bank notes, and prevents their coming home for redemption at the issuing banks. The consequence is obvious. The bank note circulation is kept at its maximum throughout every part of the year. Whether more or less currency is wanted for the purposes of business, it makes no difference to the banks. They issue as much currency as the law allows; and what notes they issue are easily kept afloat. They either do not come home at all, or if so they are easily put out again to take their place in the channels of the circulation. We have repeatedly discussed this defect in the National banking system, and, with a view to give the proper elasticity to our currency, has urged on Congress the indispensable need of a rigid system of redemption in New York. These warnings have not been heeded; and until the remedy is applied by Congress our currency will be deficient in elasticity, and the money market in consequence cannot work smoothly, but will be jerky and unsettled, and will be liable to severe and frequent spasms, especially at certain critical seasons of the year. Failing this proper, and wholesome means of giving elasticity to the currency, the next best course is for the government to buy it up and lock it safely in the Treasury vaults in the summer months, when it is not required, with a view to set it free again when the proper time of liberation arrives in the more active season of the fall trade. In view of these facts, we repeat that Mr. Boutwell's policy of hoarding up and imprisoning the superfluous currency in the Treasury is founded in wisdom, and is approved by an enlightened regard to the exigencies of the financial situation.

Still, admitting and defending as we do the general wisdom of Mr. Boutwell's method for giving some measure of elasticity to the currency, we have expressed our doubts whether he has not been going rather too fast. Owing to the defective, imperfect way in which the daily balances in the Sub-Treasury are reported we cannot tell exactly how much currency has been absorbed and locked up in the government vaults since the beginning of May, but it is estimated at twenty-six to thirty millions. Considering the unprecedented severity of the spasm which invaded the money market last March and April, the rapidity of this contraction of the circulation, after so short an interval for recovery, is attended by unusual peril.

It is said that as we require fifty millions less of currency in the summer than in the spring and fall of the year, no harm but much good will result from the process of depletion and the withdrawal of thirty millions of currency is really less of contraction than is required, and the other twenty millions must also be withdrawn from the current of the circulation before the level will be brought low enough for the summer season. To this argument there are two answers. First, all hasty, sudden changes in the volume of the circulation are mischievous. But the contraction of the circulation is by far the most mischievous if it be done suddenly, too swiftly or at the wrong time. Ill-timed contraction of the currency imposes a tax on the people which is of the most intolerable, mischievous and useless character. It brings nothing into the Treasury, but it impoverishes the people, paralyses the productive powers of the nation, and, like the exploded medical theory of blood letting, it weakens and drains off the life of the body politic under pretence of relieving it of the inconvenience of plethora. To contract the currency without injuring business is one of the most delicate and difficult of financial problems. We cannot wonder, therefore, if the existing stringency is attributed in part to Mr. Boutwell's recent locking up of currency in the Treasury.

But, moreover there is a second point to be considered. The cotton and tobacco crops of the Southern States are raised under new conditions, and the business requires more currency than ever before. It is believed that of the currency which has gone South during the last nine months, thirty millions at least have not and will not come back. If this be so, it is equivalent to a contraction of thirty millions in the currency of our Northern States, and should make Mr. Boutwell watchful and wary how he goes on too far or too fast with his present policy. We presume it is from some such reason that the purchases of bonds this week have been increased and adjusted to the sales of gold, so that there will be for the rest of this month very little further accumulation of currency in the vaults of the Treasury. From this relaxation we may anticipate a measure of timely relief to the money market.

RAILROAD EARNINGS FOR MAY AND FOR THE FIVE MONTHS SINCE JANUARY 1.

The returns of monthly earnings for May on the principal railroads, we are now able to give complete, and it is gratifying to notice the very satisfactory condition of business they exhibit, every road showing a considerable increase over the same month of 1868, with the single exception of Western Union, which is slightly below last year.

The grain traffic of the West during the latter part of May was greatly in excess of last year, and contributed largely to the increase in freight earnings. The results of the same movement are also observable in the earnings reported for the first two weeks of the present month, which largely exceed the totals for the corresponding weeks of 1868, on several of the Western roads. We regret to notice that the Fort Wayne company has altered its usual form for reporting the monthly earnings, by omitting the statement of expenses and net earnings heretofore given. This company has hitherto been an illustrious exception in furnishing the statement referred to, and thus giving the only complete and reliable information as to traffic that was published by any road.

The earnings for May are as follows :

RAILROAD EARNINGS FOR MAY.				
	1869.	1868.	Inc.	Dec.
*Chicago & Alton.....	\$345,556	\$304,812	\$12,214	....
Chicago & Northwestern.....	1,269,931	1,206,766	63,165	....
†Chicago, Rock Island & Pacific.....	419,071	308,009	110,109	....
‡Illinois Central.....	675,446	572,551	82,895	....
Marietta & Cincinnati.....	111,036	95,466	15,570	....
Michigan Central.....	408,666	359,625	49,041	....
Michigan Southern.....	415,791	399,299	16,492	....
Milwaukee & St. Paul.....	460,297	439,413	20,884	....
Ohio & Mississippi.....	217,639	201,619	16,020	....
Pittsburg, Ft. Wayne & Chicago.....	658,284	615,600	42,684	....
St. Louis, Alton & Terre Haute.....	157,907	130,515	27,392	..
Toledo, Wabash & Western.....	812,529	810,529	2,000	....
Western Union.....	68,478	70,688	....	\$1,690
Total.....	\$5,523,618	\$4,978,758	\$56,520	\$1,690

The total earnings for the first five months of the present and previous years have been as follows :

EARNINGS FROM JANUARY 1 TO JUNE 1.				
	1869.	1868.	Inc.	Dec.
Chicago & Alton.....	\$1,711,911	\$1,200,812	\$511,129	....
Chicago & Northwestern.....	5,210,042	4,683,953	526,089	....
Chicago, Rock Island & Pacific.....	1,822,109	1,480,073	342,036	....
Illinois Central.....	3,099,569	2,659,401	440,168	....
Marietta & Cincinnati.....	514,302	476,381	37,921	..
Michigan Central.....	1,911,742	1,760,263	151,479	....
Michigan Southern.....	2,116,126	1,938,819	177,307	....
Milwaukee & St. Paul.....	2,296,263	2,026,167	270,096	....
Ohio & Mississippi.....	1,050,963	1,165,997	....	\$115,044
Pittsburg, Ft. Wayne & Chicago.....	3,312,262	3,144,926	167,336	....
St. Louis, Alton & Terre Haute.....	765,654	697,084	68,570	....
Toledo, Wabash & Western.....	1,526,394	1,319,001	207,393	....
Western Union.....	248,812	255,710	....	....
Total.....	\$25,620,194	\$22,859,502	\$2,760,692	\$115,044

* 431 miles in 1869, against 390 in 1868.
† Number of miles open continuously increasing. Over 100 miles more were worked in May, 1869, than in the same month of 1868.
‡ Including leased lines.

NATIONAL BANK RESERVE.

We are indebted to the Comptroller of the Currency for the following tables, showing the state of the lawful money reserve of the National Banks on the 17th day of April, 1880. Next week we shall give in detail the returns of the Banks of each State.

Table of the state of the lawful money reserve (required by sections 31 and 32 of the National Currency Act) of the National Banking Associations of the United States and Territories, as shown by the reports of their condition at the close of business on the 17th day of April.

STATES AND TERRITORIES.

	Number of banks reporting.	Liabilities to be prot. by a reserve of 15 per cent.	Amount required as reserve.	Legal tender.	Specie.	Items of reserve: 1. Comp. in ex. notes & U. S. p. c. temp. cash certificates.	Am't. in re emp. of circulation of redemption of.	Amount of avail. reserve.	Per cent of available res. to liabilities.
Maine.....	53	\$12,402,470	\$1,561,371	\$1,056,533	\$25,050	\$10,000	\$1,191,895	\$1,711,947	18 2-10
N. w Hampshire.....	41	8,155,670	958,540	484,545	3,408	55,000	72,440	1,394,773	21 4-10
Vermont.....	40	8,103,000	1,314,331	638,508	14,594	131,000	743,847	1,536,974	18 2-10
New Brunswick.....	160	51,078,516	7,658,777	4,116,106	183,906	28,100	8,194,171	10,758,943	21 1-10
Rhode Island.....	62	18,707,700	2,770,813	1,401,491	16,853	141,700	1,770,119	3,348,453	18 1-10
Connecticut.....	81	39,204,975	4,875,960	3,071,026	142,676	285,100	3,196,376	6,791,043	19 2-10
New York.....	274	72,108,878	11,041,047	8,075,731	219,183	1,427,340	7,124,878	14,811,477	20 2-10
.....	64	24,044,333	3,610,577	2,011,472	62,103	375,000	3,916,404	5,674,642	24 2-10
.....	151	45,071,807	6,794,731	4,872,744	94,770	286,450	5,171,170	9,444,666	21
.....	11	2,430,367	354,433	238,023	6,036	16,000	356,720	574,776	23 2-10
.....	19	2,003,546	597,288	469,478	28,706	41,500	314,733	594,253	31 4-10
.....	16	3,116,516	77,477	343,303	109,809	5,300	702,131	570,483	11 7-10
.....	14	4,043,949	607,446	338,394	38,956	55,260	216,407	1,057,216	17 2-10
.....	6	1,799,497	278,434	271,393	32,643	.....	173,749	1,437,371	26 2-10
.....	3	1,572,720	303,910	246,184	30,150	.....	326,103	560,437	41 2-10
.....	3	2,451,056	111,336	781,364	50,835	35,110	338,950	1,077,949	31 2-10
.....	3	743,564	91,709	91,709	53,835	.....	62,318	314,490	39 2-10
.....	4	1,375,401	191,310	162,258	109,078	40	192,433	344,433	49 7-10
.....	1	6,648	10,368	15,087	43	.....	.....	15,079	31 7-10
.....	11	3,186,375	471,071	291,893	19,761	16,720	426,617	911,596	30 2-10
.....	13	4,772,007	704,316	501,833	14,081	30,000	438,86	2,070,087	32 2-10
.....	130	27,354,519	4,174,176	2,010,178	19,904	4,630	1,703,776	5,813,873	19
.....	68	20,111,805	8,017,835	2,917,774	52,941	251,800	3,590,161	8,823,389	19 2-10
.....	69	13,481,073	2,327,158	1,596,476	73,500	110,140	1,426,043	2,373,184	31 2-10
.....	26	6,854,619	1,076,118	539,474	24,156	16,140	67,776	1,269,473	29 2-10
.....	31	6,074,000	470,000	470,000	3,751	5,140	591,174	1,041,061	33 2-10
.....	42	6,243,150	1,401,465	1,401,007	61,771	30,100	68,978	1,461,473	31 2-10
.....	17	3,463,371	534,480	334,480	30,176	30,100	31,076	612,478	17 1-10
.....	10	3,463,371	374,480	374,480	30,176	30,100	31,076	612,478	34 7-10
.....	2	648,403	64,000	64,000	1,354	340	87,020	1,07,344	26 2-10

Nebraska.....	4	1,012,559	205,854	207,428	11,619	184	280,523	650,070	22 9-10
Nevada (no report).....									.....
Oregon (no report).....									.....
Colorado.....	3	949,005	142,851	110,594	9,099		112,296	222,289	24 5-10
Montana (no report).....									.....
Utah (no banks in Utah).....	1	118,050	17,708	23,013	2,646			25,659	21 7 10
Idaho.....									.....
Total.....	1,397	\$392,871,893	\$59,080,782	\$37,010,949	\$1,645,110	\$4,630,830	\$36,950,688	\$82,267,577	20 8-100

Table of the state of the lawful money reserves (required by sections 31 and 32 of the National Currency Act) of the National Banking Associations located in the cities named in section 31, except in New York, as shown by their reports of their condition at the close of business on the 17th day of April, 1869.

REDEMPTION CITIES.									
Boston.....	46	\$64,845,972	\$10,711,476	\$6,681,540	\$623,074	\$5,065,000	\$6,638,390	\$18,993,004	29 4-10
Albany.....	7	12,263,874	2,090,463	1,292,800	10,627	530,000	3,191,503	5,214,905	41 5-10
Philadelphia.....	20	45,476,987	11,696,684	6,538,455	153,283	5,795,000	1,229,812	13,726,545	31 2-10
Pittsburg.....	16	14,644,813	3,661,578	1,822,612	63,975	645,000	1,163,573	3,675,169	25 1-10
Baltimore.....	13	17,049,196	4,262,299	2,040,490	251,240	1,290,000	1,316,193	4,837,922	28 4-10
Washington.....	8	2,592,971	728,243	338,63	17,763	190,000	259,021	605,007	27 8-10
New Orleans.....	2	2,802,778	675,643	455,709	44,776	...	339,168	834,553	26 6-10
Louisville.....	4	1,456,707	354,177	202,573	17,145	10,000	16,830	42,347	29 7-10
Cincinnati.....	6	9,437,229	2,871,07	1,425,574	84,083	200,000	199,100	2,260,757	28 5-10
Cleveland.....	6	4,906,64	1,232,664	476,000	2,069	275,000	47,573	1,232,641	25
Chicago.....	18	18,618,436	4,649,609	3,210,187	58,090	645,000	1,737,598	5,610,435	30 2-10
Detroit.....	3	4,271,145	1,067,786	425,784	477	180,000	572,085	1,178,896	27 6-10
Milwaukee.....	5	2,444,814	611,01	369,846	5,342	35,000	591,615	707,503	28 7-10
St. Louis.....	8	9,220,067	2,805,017	221,968	101,850	625,000	551,117	2,019,25	22 8-10
Leavenworth.....	2	1,019,379	254,945	165,742	123	50,000	75,116	250,980	24 6 10
Total..	164	\$212,005,797	\$58,251,450	\$26,422,783	\$1,396,211	\$15,385,000	\$15,545,27	\$61,769,220	29

Table of the state of the lawful money reserve (required by sections 31 and 32 of the National Currency Act) of the National Banking Associations located in the City of New York, as shown by the reports of their condition at the close of business on the 17th day of April 1869.

Liabilities to					Items of reserve			Per cent of	
Number		Amount	Total	Specie.	Gold	8 p. c. temp. loan	Amount	of avall. re-serve.	reserve to liabilities.
of banks	reporting.								
City of New York	56	\$187,000,484	\$46,750,121	\$17,229,007	\$1,952,555	\$3,420,160	\$15,250,000	\$58,501,622	28 77-100

* Liabilities of banks in cities to be protected by a reserve of twenty-five per cent of the amount
+ Amount in New York City available for the redemption of circulation.

NATIONAL BANKS OF EACH STATE--THEIR CONDITION APRIL 17, 1869.

We are indebted to the Comptroller of the Currency for the following reports of the National Banks of each State and redemption city at the close of business on the 17th day of April, 1869.

	Massachusetts.	New Hampshire.	Vermont.	Maine.	City of Boston.	Rhode Island.	Connecticut.	New York State.
Loans and discounts	\$10,418,459 79	\$4,181,991 75	\$5,746,739 04	\$46,751,041 08	\$12,914,817 48	\$31,840,519 16	\$38,079,518 41	\$59,440,197 18
Overdrafts	9,499 43	5,600 45	53,914 44	18,198 80	81,447 17	3,112 91	81,507 96	492,015 18
U. S. bonds to secure circulation	8,440,750 00	4,907,000 00	4,035,000 00	25,362,459 00	29,730,000 00	14,714,000 00	19,706,000 00	23,113,450 00
U. S. bonds to secure deposits	785,000 00	811,000 00	638,000 00	2,829,400 00	350,000 00	410,000 00	1,170,000 00	3,840,000 00
U. S. bonds to secure currency on hand	708,700 00	263,800 00	39,000 00	3,368,000 00	3,300,000 00	371,400 00	1,000,000 00	2,700,000 00
Other U. S. bonds	941,500 00	1,000,000 00	77,000 00	1,000,000 00	437,000 00	391,000 00	1,000,000 00	2,800,000 00
Due from redeeming agents	2,191,581 73	732,400 00	74,318 97	6,195,870 87	6,613,397 84	1,771,600 00	8,100,000 00	7,600,000 00
Due from national banks	71,900 00	38,500 00	67,118 17	416,000 00	2,614,571 73	300,000 00	1,100,000 00	1,000,000 00
Due from banks and bankers	3,300 00	12,400 00	24,701 00	115,000 00	46,300 00	5,410 00	2,100,000 00	7,000,000 00
Due from State and fixtures	941,300 00	116,000 00	146,440 00	800,000 00	1,301,300 00	577,000 00	777,000 00	1,700,000 00
Due from expenses	49,100 00	41,177 00	30,700 00	114,000 00	60,000 00	1,200,000 00	300,000 00	614,000 00
Due from other	30,194 00	49,000 00	41,557 00	14,778 00	30,000 00	15,000 00	35,410 00	153,000 00
Due from other	1,000,000 00	67,400 00	102,423 00	400,000 00	6,000,000 00	671,773 73	540,000 00	1,000,000 00
Due from other	199,100 00	183,000 00	80,527 00	600,000 00	994,411 00	2,700,000 00	300,000 00	7,000,000 00
Due from other	600 00	700 00	400 00	370 00	300 00	0 00	340 00	0 00
Due from other	20,700 00	11,000 00	22,000 00	102,000 00	185,770 00	40,000 00	85,700 00	185,000 00
Due from other	3,700 00	2,000 00	21,000 00	195,000 00	600,000 00	142,000 00	142,000 00	2,000,000 00
Due from other	2,000,000 00	400,000 00	60,000 00	4,110,000 00	6,000,000 00	1,000,000 00	2,100,000 00	5,000,000 00
Due from other	10,000 00	2,000 00	197,000 00	240,000 00	5,000 00	14,000 00	300,000 00	1,000,000 00
Total	\$38,701,408 65	\$12,000,408 40	\$2,401,703 47	\$30,302,000 13	\$191,219,878 60	\$48,143,505 51	\$61,200,618 01	\$121,500,446 06
Loans and discounts	\$2,185,000 00	\$4,000,000 00	\$5,000,000 00	\$17,000,000 00	\$14,000,000 00	\$10,000,000 00	\$14,000,000 00	\$24,000,000 00
Overdrafts	1,000 00	500 00	100 00	500 00	1,000 00	500 00	1,000 00	500 00
U. S. bonds to secure circulation	700,000 00	400,000 00	300,000 00	1,000,000 00	1,000,000 00	500,000 00	1,000,000 00	1,000,000 00
U. S. bonds to secure deposits	700,000 00	400,000 00	300,000 00	1,000,000 00	1,000,000 00	500,000 00	1,000,000 00	1,000,000 00
U. S. bonds to secure currency on hand	700,000 00	400,000 00	300,000 00	1,000,000 00	1,000,000 00	500,000 00	1,000,000 00	1,000,000 00
Other U. S. bonds	700,000 00	400,000 00	300,000 00	1,000,000 00	1,000,000 00	500,000 00	1,000,000 00	1,000,000 00
Due from redeeming agents	700,000 00	400,000 00	300,000 00	1,000,000 00	1,000,000 00	500,000 00	1,000,000 00	1,000,000 00
Due from national banks	700,000 00	400,000 00	300,000 00	1,000,000 00	1,000,000 00	500,000 00	1,000,000 00	1,000,000 00
Due from banks and bankers	700,000 00	400,000 00	300,000 00	1,000,000 00	1,000,000 00	500,000 00	1,000,000 00	1,000,000 00
Due from State and fixtures	700,000 00	400,000 00	300,000 00	1,000,000 00	1,000,000 00	500,000 00	1,000,000 00	1,000,000 00
Due from expenses	700,000 00	400,000 00	300,000 00	1,000,000 00	1,000,000 00	500,000 00	1,000,000 00	1,000,000 00
Due from other	700,000 00	400,000 00	300,000 00	1,000,000 00	1,000,000 00	500,000 00	1,000,000 00	1,000,000 00
Due from other	700,000 00	400,000 00	300,000 00	1,000,000 00	1,000,000 00	500,000 00	1,000,000 00	1,000,000 00
Due from other	700,000 00	400,000 00	300,000 00	1,000,000 00	1,000,000 00	500,000 00	1,000,000 00	1,000,000 00
Due from other	700,000 00	400,000 00	300,000 00	1,000,000 00	1,000,000 00	500,000 00	1,000,000 00	1,000,000 00
Total	\$24,000,000 00	\$12,000,000 00	\$2,400,000 00	\$17,000,000 00	\$14,000,000 00	\$10,000,000 00	\$14,000,000 00	\$24,000,000 00

Total .. Exclusive of Boston

	Cleveland.	Indiana.	Illinois.	Chicago.	Michigan.	Detroit.	Wisconsin.	Milwaukee.	Town.
Notes and discounts.....	\$2,873,754.55	\$18,241,799.22	\$20,844,786.17	\$14,778,400.28	\$5,508,198.10	\$3,754,986.89	\$2,628,881.85	\$1,052,679.82	\$6,201,278.26
Overdrafts.....	46,721.72	51,511.06	229,953.15	1,114,108.08	79,177.24	1,747.16	48,185.51	50,711.76	123,491.35
U. S. bonds to secure deposits.	2,254,100.00	12,392,500.00	8,516,450.00	4,890,700.00	8,653,400.00	1,098,400.00	1,846,550.00	791,700.00	2,329,700.00
U. S. bonds & securities owned.	675,000.00	1,141,000.00	78,000.00	1,000,000.00	107,000.00	226,000.00	501,000.00	301,000.00	379,000.00
U. S. bonds & securities held for sale.	64,000.00	40,150.00	401,700.00	13,000.00	117,600.00	.....	104,500.00	2,600.00	161,000.00
Due from.....	9,512.27	226,700.25	226,253.29	30,211.17	174,100.88	.....	81,333.31	10,049.31	177,011.09
Due from.....	479,571.08	1,210,110.81	1,415,184.63	1,727,588.45	678,775.48	573,094.98	897,158.96	291,815.28	644,928.21
Due from.....	227,487.46	1,041,833.17	674,567.40	450,119.78	579,476.14	121,173.27	241,125.43	17,900.26	572,694.27
Due from.....	17,187.06	792,949.77	307,787.69	167,899.78	70,190.18	29,480.04	48,876.11	17,900.26	173,401.57
Due from.....	502,460.41	63,915.99	462,557.19	4,019,127.77	274,160.24	104,447.83	114,537.24	124,115.14	352,900.00
Current exp. made.....	85,101.84	102,710.00	145,766.57	201,495.43	28,537.28	1,000.00	26,472.69	16,191.06	109,481.96
Premiums.....	58.00	10,022.92	10,848.26	21,544.90	12,049.46	6,780.64	4,774.74	21,010.00	16,838.17
Checks and other cash items.	167,356.85	1,244,494.04	216,718.18	1,496,280.81	121,119.96	116,517.63	26,219.10	10,153.61	10,271.39
U. S. National bank notes.	239,341.00	107,401.00	229,908.10	582,843.10	90,520.00	69,000.00	64,198.00	14,686.00	298,064.00
U. S. National bank notes.	2,800.00	10,000.00	652.00	.....	.....	.....	464.00	.....	2,800.00
U. S. National bank notes.	16,288.00	60,955.25	62,319.30	20,747.04	22,176.17	2,656.13	27,676.00	31,285.00	52,839.72
U. S. National bank notes.	2,169.76	12,944.22	73,499.73	65,000.84	24,102.15	487.45	27,754.25	2,842.11	50,272.59
Legal tender notes.	476,000.00	2,217,731.00	1,696,446.00	2,210,137.00	183,428.00	485,784.00	480,963.00	269,316.10	1,282,000.00
Compound interest notes.	.....	1,400.00	140.00	.....	140.00	.....	140.00	.....	140.00
Treas. cert. & certificates.	375,000.00	150,000.00	110,000.00	676,600.00	55,000.00	150,000.00	55,000.00	25,000.00	50,000.00
Total.....	\$9,015,658.60	\$36,305,080.20	\$36,400,198.51	\$28,752,023.78	\$11,903,478.13	\$6,517,400.51	\$6,406,300.99	\$2,628,881.87	\$14,407,978.68
Capital stock.....	\$2,000,000.00	\$12,000,000.00	\$4,570,000.00	\$5,400,000.00	\$2,000,000.00	\$1,400,000.00	\$1,400,000.00	\$500,000.00	\$2,717,000.00
Surplus fund.....	615,847.91	2,514,491.00	1,478,755.84	1,771,620.07	765,312.30	2,000,000.00	201,000.00	119,704.77	677,455.71
U. S. National bank notes.	265,130.00	708,000.00	602,848.96	410,728.98	2,408.00	1,000,000.00	2,000,000.00	500,000.00	400,440.00
U. S. National bank notes.	1,000,000.00	10,000,000.00	8,457,193.00	4,907,800.00	2,254,534.00	944,889.00	1,538,902.00	692,173.00	3,000,000.00
U. S. National bank notes.	0.00	7,000.00	1,793.00	1,793.00	1,074.00	.....	.....	100.00	2,490.00
U. S. National bank notes.	2,000,000.00	8,000,000.00	9,772,071.19	11,434,811.02	2,902,417.91	2,900,000.00	2,907,570.00	1,382,111.11	8,027,731.21
U. S. National bank notes.	2,111,551.96	638,081.00	442,329.43	6,794.41	64,327.61	1,271,111.00	69,258.41	127,170.00	1,441,000.00
U. S. National bank notes.	61,000.00	100,000.00	204,071.19	204,071.19	204,071.19	204,071.19	204,071.19	204,071.19	204,071.19
U. S. National bank notes.	27,427.29	182,816.83	102,428.77	2,244,108.31	22,509.21	102,428.77	17,438.00	16,000.00	18,016.28
U. S. National bank notes.	94,900.00	104,000.00	18,477.18	1,92,000.00	12,100.00	20,725.00	12,219.00	116,000.00	10,000.00
U. S. National bank notes.	6,000.00	1,000.00	82,300.00	40,000.00	141,078.87	.....	2,000.00	180,777.20	2,000.00
Total.....	\$9,015,658.60	\$36,305,080.20	\$36,400,198.51	\$28,752,023.78	\$11,903,478.13	\$6,517,400.51	\$6,406,300.99	\$2,628,881.87	\$14,407,978.68

* Exclusive of the City of Chicago.

† Exclusive of the City of Detroit.

‡ Exclusive of the City of Milwaukee.

	Minnesota.	Missouri.	St. Louis.	Kansas.	Lavenworth.	Oreg. B.	Nehalem.	Colorado.	Idaho.
Capital stock	\$1,770,000 00	\$1,000,000 00	\$6,810,700 00	\$200,000 00	\$270,000 00	\$100,000 00	\$400,000 00	\$250,000 00	\$100,000 00
Surplus fund	218,750 00	1,210 10	50,729 41	9,947 90	41,878 68	4,000 00	50,742 06	78,170 00	2,351 10
Undivided profit	2,914 28	174,045 45	5,045 80	18,099 45	12,466 17	22,792 34	172,213 24	28,516 89	392 61
National bank on other	1,488,000 00	686,117 00	3,443,970 01	160,000 00	177,000 00	58,110 00	169,710 00	254,000 00	62,346 00
Indiv. dual deposits	2,350 00	1,760,450 28	38,875 00	38,875 00	267,896 46	67,174 04	1,113,311 00	68,373 73	52,133 74
Officers	45,800 81	61,099 44	48,656 18	394,150 67	37,479 13	80,468 04	188,950 78	48,886 11	...
Bankers	31,944 79	41,258 67	98,970 84	30,226 97	416,708 48	49,618 11	481,026 47	10,885 84	...
Not and bills re-discounted	18,616 16	48,272 13	637,118 96	2,940 37	19,756 95	1,446 46	6,917 26	6,331 37	18,666 41
Bills payable	45,120 20	...	4,547 28	2,300 77	27,977 43	...	95,425 68	2,119 11	...
Total	\$5,350,145 73	\$2,928,468 78	\$19,774,688 16	\$319,533 68	\$1,314,838 51	\$423,623 51	\$2,671,552 60	\$1,435,113 25	\$324,507 76

* Exclusive of the City of St. Louis.

† Exclusive of the City of Lavenworth.

LIABILITIES.

Capital stock	\$1,770,000 00	\$1,000,000 00	\$6,810,700 00	\$200,000 00	\$270,000 00	\$100,000 00	\$400,000 00	\$250,000 00	\$100,000 00
Surplus fund	218,750 00	1,210 10	50,729 41	9,947 90	41,878 68	4,000 00	50,742 06	78,170 00	2,351 10
Undivided profit	2,914 28	174,045 45	5,045 80	18,099 45	12,466 17	22,792 34	172,213 24	28,516 89	392 61
National bank on other	1,488,000 00	686,117 00	3,443,970 01	160,000 00	177,000 00	58,110 00	169,710 00	254,000 00	62,346 00
Indiv. dual deposits	2,350 00	1,760,450 28	38,875 00	38,875 00	267,896 46	67,174 04	1,113,311 00	68,373 73	52,133 74
Officers	45,800 81	61,099 44	48,656 18	394,150 67	37,479 13	80,468 04	188,950 78	48,886 11	...
Bankers	31,944 79	41,258 67	98,970 84	30,226 97	416,708 48	49,618 11	481,026 47	10,885 84	...
Not and bills re-discounted	18,616 16	48,272 13	637,118 96	2,940 37	19,756 95	1,446 46	6,917 26	6,331 37	18,666 41
Bills payable	45,120 20	...	4,547 28	2,300 77	27,977 43	...	95,425 68	2,119 11	...
Total	\$5,350,145 73	\$2,928,468 78	\$19,774,688 16	\$319,533 68	\$1,314,838 51	\$423,623 51	\$2,671,552 60	\$1,435,113 25	\$324,507 76

* Exclusive of the City of St. Louis.

† Exclusive of the City of Lavenworth.

	Cleveland.	Indiana.	Illinois.*	Chicago.	Michigan.†	Detroit.	Wisconsin.‡	Milwaukee.	Iowa.
Loans and discounts.....	\$18,838,738 55	\$15,241,779 22	\$10,844,884 17	\$14,778 10 52	\$5,558,148 10	\$3,753,965 89	\$2,832,821 85	\$1,833,678 83	\$6,701,338 39
Overdrafts.....	48,721 72	61,511 06	222,963 15	1,111 16 08	79,147 28	5,647 16	4,155 11	1,011 14	121,498 25
U. S. bonds to secure deposits.	2,354,000 00	13,302,500 00	6,718,151 00	4,290,740 00	8,000,000 00	1,092,400 00	1,846,880 00	79,000 00	2,338,700 00
U. S. bonds to secure deposits.	575,000 00	1,141,000 00	79,000 00	1,000 00	50,000 00	25,000 00	501,700 00	201,000 00	575,000 00
U. S. bonds to secure deposits.	65,000 00	4,000 00	401,750 00	13,000 00	117,000 00	.....	104,300 00	2,000 00	151,500 00
U. S. bonds to secure deposits.	9,512 27	328,700 75	335,882 29	10,211 17	17,410 68	.....	21,300 31	10,049 31	171,011 02
Due from clearing agent.....	679,371 00	1,350,310 81	1,815,164 63	1,737,598 46	679,776 48	572,064 08	391,128 96	291,615 24	646,948 21
Due from National Banks.....	222,484 43	1,043,317 17	674,537 40	450,319 03	279,464 14	321,173 27	249,155 42	17,903 25	372,494 27
Due from other banks and banks.....	187,757 06	2,965,940 77	507,797 66	1,075,649 72	70,190 13	20,480 04	42,676 11	17,884 23	172,401 07
Due from clearing agent and banks.....	502,401 61	53,915 20	4,215,157 19	6,014 43	274,518 34	104,447 82	114,537 24	124,116 14	352,900 00
Current exp. notes.....	88,701 84	1,927,700 00	145,865 87	201,444 43	29,554 26	6,200 84	30,412 79	16,191 60	109,481 96
Premiums.....	88 00	10,022 84	10,022 84	27,144 00	19,049 46	.....	4,747 76	90,000 00	15,288 27
Checks and other cash items.....	162,366 67	1,339,944 04	212,776 12	1,494,280 61	121,174 95	136,517 62	56,219 10	10,233 01	10,371 26
Bl. of National Banks.....	189,341 00	107,401 10	228,939 10	268,945 10	26,320 00	69,000 00	64,195 00	14,854 00	208,044 00
Bl. of other banks.....	2,300 00	10,022 84	10,022 84	.....	.....	.....	464 10	.....	2,300 00
Bl. of other banks.....	16,288 40	60,165 25	72,394 20	20,947 04	25,176 77	9,666 16	27,000 00	11,825 09	53,866 72
Bl. of other banks.....	2,168 76	12,144 23	73,499 73	68,000 00	24,152 15	467 45	2,754 25	1,349 01	61,372 58
Local tender notes.....	476,000 00	2,817,771 00	1,666,446 00	3,310,137 00	533,428 00	425,784 00	480,965 00	209,816 10	1,324,707 00
Compound interest notes.....	.....	1,170 00	140 00	.....	140 00	.....	140 00	.....	140 00
Three per cent. certificates.....	275,000 00	150,000 00	110,000 00	675,000 00	35,000 00	150,000 00	55,000 00	25,000 00	30,000 00
Total.....	\$20,015,853 80	\$26,305,080 20	\$24,000,000 00	\$35,732,023 78	\$11,983,478 13	\$9,512,400 51	\$6,618,300 00	\$3,833,681 67	\$14,467,873 88
Liabilities.....	\$2,900,000 00	\$12,537,070 00	\$4,570,000 00	\$5,410,000 00	\$2,910,000 00	\$1,459,000 00	\$1,940,000 00	\$2,900,000 00	\$2,777,000 00
Overdrafts.....	48,721 72	61,511 06	222,963 15	1,111 16 08	79,147 28	5,647 16	4,155 11	1,011 14	121,498 25
U. S. bonds to secure deposits.....	2,354,000 00	13,302,500 00	6,718,151 00	4,290,740 00	8,000,000 00	1,092,400 00	1,846,880 00	79,000 00	2,338,700 00
U. S. bonds to secure deposits.....	575,000 00	1,141,000 00	79,000 00	1,000 00	50,000 00	25,000 00	501,700 00	201,000 00	575,000 00
U. S. bonds to secure deposits.....	65,000 00	4,000 00	401,750 00	13,000 00	117,000 00	.....	104,300 00	2,000 00	151,500 00
U. S. bonds to secure deposits.....	9,512 27	328,700 75	335,882 29	10,211 17	17,410 68	.....	21,300 31	10,049 31	171,011 02
Due from clearing agent.....	679,371 00	1,350,310 81	1,815,164 63	1,737,598 46	679,776 48	572,064 08	391,128 96	291,615 24	646,948 21
Due from National Banks.....	222,484 43	1,043,317 17	674,537 40	450,319 03	279,464 14	321,173 27	249,155 42	17,903 25	372,494 27
Due from other banks and banks.....	187,757 06	2,965,940 77	507,797 66	1,075,649 72	70,190 13	20,480 04	42,676 11	17,884 23	172,401 07
Due from clearing agent and banks.....	502,401 61	53,915 20	4,215,157 19	6,014 43	274,518 34	104,447 82	114,537 24	124,116 14	352,900 00
Current exp. notes.....	88,701 84	1,927,700 00	145,865 87	201,444 43	29,554 26	6,200 84	30,412 79	16,191 60	109,481 96
Premiums.....	88 00	10,022 84	10,022 84	27,144 00	19,049 46	.....	4,747 76	90,000 00	15,288 27
Checks and other cash items.....	162,366 67	1,339,944 04	212,776 12	1,494,280 61	121,174 95	136,517 62	56,219 10	10,233 01	10,371 26
Bl. of National Banks.....	189,341 00	107,401 10	228,939 10	268,945 10	26,320 00	69,000 00	64,195 00	14,854 00	208,044 00
Bl. of other banks.....	2,300 00	10,022 84	10,022 84	.....	.....	.....	464 10	.....	2,300 00
Bl. of other banks.....	16,288 40	60,165 25	72,394 20	20,947 04	25,176 77	9,666 16	27,000 00	11,825 09	53,866 72
Bl. of other banks.....	2,168 76	12,144 23	73,499 73	68,000 00	24,152 15	467 45	2,754 25	1,349 01	61,372 58
Local tender notes.....	476,000 00	2,817,771 00	1,666,446 00	3,310,137 00	533,428 00	425,784 00	480,965 00	209,816 10	1,324,707 00
Compound interest notes.....	.....	1,170 00	140 00	.....	140 00	.....	140 00	.....	140 00
Three per cent. certificates.....	275,000 00	150,000 00	110,000 00	675,000 00	35,000 00	150,000 00	55,000 00	25,000 00	30,000 00
Total.....	\$2,900,000 00	\$12,537,070 00	\$4,570,000 00	\$5,410,000 00	\$2,910,000 00	\$1,459,000 00	\$1,940,000 00	\$2,900,000 00	\$2,777,000 00
Overdrafts.....	48,721 72	61,511 06	222,963 15	1,111 16 08	79,147 28	5,647 16	4,155 11	1,011 14	121,498 25
U. S. bonds to secure deposits.....	2,354,000 00	13,302,500 00	6,718,151 00	4,290,740 00	8,000,000 00	1,092,400 00	1,846,880 00	79,000 00	2,338,700 00
U. S. bonds to secure deposits.....	575,000 00	1,141,000 00	79,000 00	1,000 00	50,000 00	25,000 00	501,700 00	201,000 00	575,000 00
U. S. bonds to secure deposits.....	65,000 00	4,000 00	401,750 00	13,000 00	117,000 00	.....	104,300 00	2,000 00	151,500 00
U. S. bonds to secure deposits.....	9,512 27	328,700 75	335,882 29	10,211 17	17,410 68	.....	21,300 31	10,049 31	171,011 02
Due from clearing agent.....	679,371 00	1,350,310 81	1,815,164 63	1,737,598 46	679,776 48	572,064 08	391,128 96	291,615 24	646,948 21
Due from National Banks.....	222,484 43	1,043,317 17	674,537 40	450,319 03	279,464 14	321,173 27	249,155 42	17,903 25	372,494 27
Due from other banks and banks.....	187,757 06	2,965,940 77	507,797 66	1,075,649 72	70,190 13	20,480 04	42,676 11	17,884 23	172,401 07
Due from clearing agent and banks.....	502,401 61	53,915 20	4,215,157 19	6,014 43	274,518 34	104,447 82	114,537 24	124,116 14	352,900 00
Current exp. notes.....	88,701 84	1,927,700 00	145,865 87	201,444 43	29,554 26	6,200 84	30,412 79	16,191 60	109,481 96
Premiums.....	88 00	10,022 84	10,022 84	27,144 00	19,049 46	.....	4,747 76	90,000 00	15,288 27
Checks and other cash items.....	162,366 67	1,339,944 04	212,776 12	1,494,280 61	121,174 95	136,517 62	56,219 10	10,233 01	10,371 26
Bl. of National Banks.....	189,341 00	107,401 10	228,939 10	268,945 10	26,320 00	69,000 00	64,195 00	14,854 00	208,044 00
Bl. of other banks.....	2,300 00	10,022 84	10,022 84	.....	.....	.....	464 10	.....	2,300 00
Bl. of other banks.....	16,288 40	60,165 25	72,394 20	20,947 04	25,176 77	9,666 16	27,000 00	11,825 09	53,866 72
Bl. of other banks.....	2,168 76	12,144 23	73,499 73	68,000 00	24,152 15	467 45	2,754 25	1,349 01	61,372 58
Local tender notes.....	476,000 00	2,817,771 00	1,666,446 00	3,310,137 00	533,428 00	425,784 00	480,965 00	209,816 10	1,324,707 00
Compound interest notes.....	.....	1,170 00	140 00	.....	140 00	.....	140 00	.....	140 00
Three per cent. certificates.....	275,000 00	150,000 00	110,000 00	675,000 00	35,000 00	150,000 00	55,000 00	25,000 00	30,000 00
Total.....	\$2,900,000 00	\$12,537,070 00	\$4,570,000 00	\$5,410,000 00	\$2,910,000 00	\$1,459,000 00	\$1,940,000 00	\$2,900,000 00	\$2,777,000 00
Overdrafts.....	48,721 72	61,511 06	222,963 15	1,111 16 08	79,147 28	5,647 16	4,155 11	1,011 14	121,498 25
U. S. bonds to secure deposits.....	2,354,000 00	13,302,500 00	6,718,151 00	4,290,740 00	8,000,000 00	1,092,400 00	1,846,880 00	79,000 00	2,338,700 00
U. S. bonds to secure deposits.....	575,000 00	1,141,000 00	79,000 00	1,000 00	50,000 00	25,000 00	501,700 00	201,000 00	575,000 00
U. S. bonds to secure deposits.....	65,000 00	4,000 00	401,750 00	13,000 00	117,000 00	.....	104,300 00	2,000 00	151,500 00
U. S. bonds to secure deposits.....	9,512 27	328,700 75	335,882 29	10,211 17	17,410 68	.....	21,300 31	10,049 31	171,011 02
Due from clearing agent.....	679,371 00	1,350,310 81	1,815,164 63	1,737,598 46	679,776 48	572,064 08	391,128 96	291,615 24	646,948 21
Due from National Banks.....	222,484 43	1,043,317 17	674,537 40	450,319 03	279,464 14	321,173 27	249,155 42	17,903 25	372,494 27
Due from other banks and banks.....	187,757 06	2,965,940 77	507,797 66	1,075,649 72	70,190 13	20,480 04	42,676 11	17,884 23	172,401 07
Due from clearing agent and banks.....	502,401 61	53,915 20	4,215,157 19	6,014 43	274,518 34	104,447 82	114,537 24	124,116 14	352,900 00
Current exp. notes.....	88,701 84	1,927,700 00	145,865 87	201,444 43	29,554 26	6,200 84	30,412 79	16,191 60	109,481 96
Premiums.....	88 00	10,022 84	10,022 84	27,144 00	19,049 46	.....	4,747 76	90,000 00	15,288 27
Checks and other cash items.....	162,366 67	1,339,944 04	212,776 12	1,494,280 61	121,174 95	136,517 62	56,219 10	10,233 01	10,371 26
Bl. of National Banks.....	189,341 00	107,401 10	228,939 10	268,945 10	26,320 00	69,000 00	64,195 00	14,854 00	208,044 00
Bl. of other banks.....	2,300 00	10,022 84	10,022 84	.....	.....	.....	464 10	.....	2,300 00
Bl. of other banks.....	16,288 40	60,165 25	72,394 20	20,947 04	25,176 77	9,666 16	27,000 00	11,825 09	53,866 72
Bl. of other banks.....	2,168 76	12,144 23	73,499 73	68,000 00	24,152 15	467 45	2,754 25	1,349 01	61,372 58
Local tender notes.....	476,000 00	2,817,771 00	1,666,446 00	3,310,137 00	533,428 00	425,784 00	480,965 00	209,816 10	1,324,707 00
Compound interest notes.....	.....	1,170 00	140 00	.....	140 00	.....	140 00	.....	140 00
Three per cent. certificates.....	275,000 00	150,000 00	110,000 00	675,000 00	35,000 00	150,000 00	55,000 00	25,000 00	30,000 00
Total.....	\$2,900,000 00	\$12,537,070 00	\$4,570,000 00	\$5,410,000 00	\$2,910,000 00	\$1,459,000 00	\$1,940,000 00	\$2,900,000 00	\$2,777,000 00
Overdrafts.....	48,721 72	61,511 06	222,963 15	1,111 16 08	79,147 28	5,647 16	4,155 11	1,011 14	121,498 25
U. S. bonds to secure deposits.....	2,354,000 00	13,302,500 00	6,718,151 00	4,290,740 00	8,000,000 00	1,092,400 00	1,846,880 00	79,000 00	

Our imports t'is year have been on a large scale, and considerably in excess of previous years. The return published this week relating to the computed real value of the goods imported, embraces a period of only two months. The following figures show, however, that the value of the imports in February was £2,600,000 more than in the corresponding month last year, while in the two months it shows an increase of £4,640,000 :

COMPUTED REAL VALUE OF PRINCIPAL IMPORTS.

	1867.	1868.	1869.
January	£10,169,753	£7,481,199	£11,493,405
February	15,871,175	15,494,140	18,148,799
Total.....	25,140,920	22,985,689	29,642,204

As regar s cotton, the computed real value in the two months was £6,702,255 against £4,685,848 and £6,264,889 ; of wheat, £2,644,8 8, against £3,866,8 8, and £2,520,095 ; of Indian corn, £1,028,357, against £496,724, and £356,547 ; and of flour £586,432. against £538,955 in 1868, and £306,631 in 1867.

The following are the leading particulars with regard to cotton :

IMPORTS IN THREE MONTHS.

From—	1867.	1868.	1869.
United States	979,403	1,681,897	1,117,842
Brazil	111,778	261,178	171,934
Turkey	83,215	4,217	17,40
Egypt	454,065	892,841	310,316
East Indies	147,030	238,032	228,795
China	2,011		
Other countries	64,747	32,658	42,695
Total.....	1,815,219	2,430,865	2,018,322

EXPORTS IN THREE MONTHS.

To—	1867.	1868.	1869.
Prussia	50,819	87,219	68,045
Hanse Towns	197,113	239,345	136,378
Holland	9,687	147,250	121,407
Other countries	201,273	89,032	189,387
Total.....	542,892	742,786	614,197

Of cotton manufactures the following are the exports :

IN MARCH.

Yarn	12,864,590	16,977,358	12,632,543
Piece goods	210,094,441	249,209,459	222,852,943
Thread	569,634	4,8,058	611,971

IN THREE MONTHS.

Yarn	32,871,670	50,571,082	39,781,333
Piece goods	621,476,799	73,424,440	671,012,984
Thread	1,598,268	1,727,141	1,432,045

As regards our exports of cotton piece goods in the first three months of the present year, there is a diminution, as compared with 1868, of 2,670,000 yards in those to Holland; 2,890,000 yards to Portugal 750,000 yards to Illyria, Croatia and Dalmatia, 8,800,000 yards to Turkey, 5,880,000 yards to Syria and Palestine, 2,800,000 yards to Egypt, 7,600,000 yards to the foreign West Indies, 5,100,000 yards to Mexico, 8,800,000 yards to New Grenada, 1,700,000 yards to the Argentine Confederation, 14,200,000 yards to China and Hong Kong, 760,000 yards to Japan, 1,830,000 yards to Java, 1,700,000 yards to the Philippine Islands, 1,400,000 yards to the British West Indies, and of 50,400,000 yards to British India. On the other hand there an increase of 1,200,000 yards in the shipments to Australia, 1,200,000 yards to the Hanse Towns, 8,400,000 yards to France, 8,400,000 yards to Italy, 11,00,000

Our imports t'is year have been on a large scale, and considerably in excess of previous years. The return published this week relating to the computed real value of the goods imported, embraces a period of only two months. The following figures show, however, that the value of the imports in February was £2,600,000 more than in the corresponding month last year, while in the two months it shows an increase of £4,640,000 :

COMPUTED REAL VALUE OF PRINCIPAL IMPORTS.

	1867.	1868.	1869.
January	£10,169,755	£9,481,199	£11,493,405
February	15,871,175	15,484,140	18,148,799
To al.....	25,140,930	24,965,339	29,642,204

As regar s cotton, the computed real value in the two months was £6,702,255 against £4,685,848 and £6,264,889 ; of wheat, £2,644,8 8, against £3,866,8 8, and £2,520,085 ; of Indian corn, £1,028,847, against £96,724, and £356,547 ; and of flour £386,432. against £538,955 in 1868, and £306,631 in 1867.

The following are the leading particulars with regard to cotton :

IMPORTS IN THREE MONTHS.

From—	1867.	1868.	1869.
United States.....cwt.	999,403	1,681,837	1,117,842
Brazil	111,778	261,178	171,934
Turkey	33,215	4,217	17,40
Egypt	454,005	322,841	310,316
East Indies.....	147,030	238,032	228,795
China	2,011		
Other countries.	64,747	32,648	42,695
Total.....	1,815,219	2,430,806	2,018,822

EXPORTS IN THREE MONTHS.

To—	1867.	1868.	1869.
Prussia .. ..cwt.	50,819	87,219	66,045
Hanse Towns.....	197,113	234,345	186,378
Holland	9,687	147,150	121,407
Other countries.....	201,275	89,052	189,367
Total.....	542,892	742,766	513,197

Of cotton manufactures the following are the exports :

IN MARCH.

Yarn.....lbs.	12,884,590	16,947,378	12,632,543
Piece goods.....yards.	210,094,441	249,209,457	222,852,043
Thread.....lbs.	559,634	428,053	611,971

IN THREE MONTHS.

Yarn.....lbs.	33,871,670	50,571,062	30,781,332
Piece goods.....yards.	621,470,799	73,424,440	671,012,984
Thread.....lbs.	1,593,263	1,727,141	1,482,045

As regards our exports of cotton piece goods in the first three months of the present year, there is a diminution, as compared with 1868, of 2,610,000 yards in those to Holland ; 2,890,000 yards to Portugal 750,000 yards to Illyria, Croatia and Dalmatia, 8,800,000 yards to Turkey, 5,880,000 yards to Syria and Palestine, 2,800,000 yards to Egypt, 7,500,000 yards to the foreign West Indies, 5,100,000 yards to Mexico, 3,800,000 yards to New Grenada, 1,700,000 yards to the Argentine Confederation, 14,200,000 yards to China and Hong Kong, 760,000 yards to Japan, 1,330,000 yards to Java, 1,700,000 yards to the Philippine Islands, 1,400,000 yards to the British West Indies, and of 50,400,000 yards to British India. On the other hand there an increase of 1,200,000 yards in the shipments to Australia, 1,200,000 yards to the Hanse Towns, 3,400,000 yards to France, 2,400,000 yards to Italy, 11,00,000

yards to the United States, and 9,200,000 yards to Brazil. The following statement shows the extent of our exports to the United States in the first three months of the present and last two years:

	1887.	1878.	1868.
Alkali, cwt.....	379,051	325,343	425,493
Beer & ale gals.	5,379	5,071	5,000
Coals, tons.....	22,164	22,130	17,625
COTTON MANUFACTURES:			
Piece goods, yds.	44,144,819	33,750,016	44,714,395
Thread, lb.....	402,445	481,731	455,708
Earth-ware and Porcelain pkgs.....	30,701	21,053	21,304
Haberdashery and Millinery value.....	2514,566	284,567	207,130
HANDWARE AND CUTLERY:			
Knives forks, &c., value.....	278,180	247,530	241,390
Anvils, vices, &c. value.....	20,443	16,170	22,701
Manufactures of German silver, value.....	145,914	92,790	125,630
LINEY MANUFACTURES—			
Piece goods, yards.....	20,447,010	20,771,444	31,336,943
Thread, lbs.....	400,904	341,334	318,705
METALS—			
Iron—Pig, &c., tons.....	20,153	5,877	25,771
Bar, &c., tons.....	12,167	6,761	15,000
Railroad, tons.....	8,901	150,027	143,305
Castings, tons.....	128	61	41
Hoops, sheets and boiler plates tons.....	4,491	2,540	9,096
Wrought, tons.....	2,209	164	2,405
Steel Unwrought, tons.....	5,870	2,703	4,105
Copper, wrought, cwts.....	2,517	601	1,000
Lead, pig, tons.....	1,346	2,222	1,200
Tin plates, cwts.....	216,842	241,901	490,000
Oil seed, galls.....	810,824	87,14	23,004
Salt, tons.....	83,743	44,440	41,000
SILK MANUFACTURES—			
Broad piece goods, &c., yards.....	196,905	150,300	157,617
Handkerchiefs, scarfs, &c., dozens.....	403	51	512
Ribbons of silk only, lbs.....	12,80	9,353	4,73
Other articles of silk only, value.....	218,063	241,41	40,000
Silk manuf's mixed with other materials.....	224,714	14,708	24,40
Spirits, British, gals.....	7,977	11,710	16,000
Wool, lbs.....	8,314	38,781	91,371
WOOLEN AND WORSTED MANUFACTURES—			
Cloth, yards.....	2,055,005	1,518,000	1,066,000
Carpets and druggets, yards.....	1,528,91	200,44	1,527,001
Shawls, rugs, &c., number.....	59,046	31,951	21,473
Worsted stuffs, yards.....	16,768,86	12,931,400	21,730,000

The following return shows the prices of cereal produce at three periods in the current season, viz: when new produce commenced to arrive freely at market, when Spring corn was at its highest point, and, lastly during the present week. The downward movement in wheat has been uninterrupted, and it is believed that, as it was fully anticipated, no losses have been incurred, so much caution having been exercised throughout the season. Barley and oats, however, advanced to a high point by the commencement of November, but from that period a somewhat rapid downward movement set in, and the result has been that prices have declined (as in the case of foreign feeding barley) as much as 18% per quarter, or about 3% per cent. Beans have declined from 1 s. to 15s.; peas, 8s to 6s.; and Indian corn 8s. to 9s. per quarter:

	Aug. 2, 1888. Per quarter.	Nov. 2, 1888. Per quarter.	May 2, 1888. Per quarter.
Wheat:			
English red.....	54s. 8d.	53s. 5d.	52s. 4d.
English white.....	54s. 4d.	53s. 1d.	52s. 4d.
Foreign red.....	54s. 2d.	53s. 1d.	52s. 4d.
Foreign white.....	54s. 0d.	53s. 0d.	52s. 4d.
Barley:			
English malting.....	31s. 14d.	27s. 14d.	26s. 0d.
English feeding.....	32s. 1s.	26s. 1s.	25s. 0d.
Foreign grinding.....	31s. 8d.	26s. 0d.	25s. 0d.
Oats:			
English feeding.....	26s. 0d.	25s. 0d.	24s. 0d.
Foreign feeding.....	25s. 0d.	24s. 0d.	23s. 0d.

Beans:			
English	44@50s.	45@50s.	37@43s.
Foreign	41@48s.	41@48s.	37@38s.
Peas:			
English	49@48s.	44@48s.	37@45s.
Foreign	41@46s.	43@41s.	36@39s.
Indian Corn:			
White	59@42s.	35@38s.	29@30s.
Yellow	39@42s.	36@37s.	27@28s.
Flour:			
Town made.....	Per 280 lb	Per 270 lb	Per 280 lb
Country.....	50@54s.	43@47s.	38@43s.
French	42@52s.	37@44s.	27@35s.
	50@52s.	43@44s.	37@35s.
American.....			
	Per barrel.	Per barrel.	Per barrel.
	29@25s.	25@30s.	23@27s.

During the past three months of the current year our imports of wheat into the United Kingdom were 1,400,000 cwt. less than they were in the corresponding period in 1868. The more important feature in the return is the diminution of about 1, 00,000 cwt. in our receipts from Egypt. The following are the chief particulars of our imports of wheat and flour in the first three months of the present and last two years :

WHEAT.			
	1866.	1867.	1868.
Russia.....cwt.	2,789,215	2,875,473	2,645,526
Prussia.....	901,117	611,131	915,376
France.....	234,073	11,123	94,300
Luxemburg, Croatia and Dalmatia Turkey, Moldavia & Wallachia.....	577,918	1,353,146	571,466
Egypt.....	10,954	1,241,362	200,135
United States	508,244	1,868,119	1,471,265
Total, including other countries	6,031,632	8,465,521	7,036,015

FLOUR.			
	1866.	1867.	1868.
Paris Towns	129,059	152,805	173,879
France	215,182	196,738	479,665
United States	69,560	201,702	191,601
Total, including other countries.....	835,183	772,867	1,144,283

Annexed is a statement showing the imports and exports of wheat and flour, into and from the United Kingdom, from September 1 to the close of last week :

WHEAT.			
From—	Imports.		Exports.
	1867-8.	1868-9.	1867-8.
Sept. 1 to May 1.....cwt.	24,816,560	19,873,281	565,610

FLOUR.			
Sept. 1 to May 27.....	2,366,112	2,758,783	23,265

Annexed is an approximate statement of the imports of cereal produce into the United Kingdom in April and in four months. This year's April statement embraces a period of 28 days ; but that of the previous three years, 30 days:

IMPORTS IN APRIL.			
	1865.	1866.	1867.
Wheat.....cwt	1,511,160	3,231,018	3,091,269
Barley	262,874	539,154	508,233
Oat	542,609	78,536	74,127
Peas	94,713	72,411	33,002
Beans	52,891	134,464	145,952
Indian corn.....	75,702	973,614	891,270
Flour	483,818	315,280	218,363

IMPORTS IN FOUR MONTHS.			
	1865.	1866.	1867.
Wheat	7,123,508	9,231,870	11,560,890
Barley	1,618,455	2,725,840	1,793,431
Oats	1,775,511	2,113,388	1,991,995
Peas	201,867	385,423	252,310
Beans	119,635	650,611	621,259
Indian corn.....	4,071,576	2,281,401	3,191,557
Flour	2,344,458	1,130,463	1,021,735

Business during the present week in the manufacturing districts has been extremely quiet. There has, however, been a fair amount of buying on the part of the United States; but, with few exceptions, the greatest caution has been observed, and but few purchases have been made in excess of actual requirements. Cotton is lower in price, owing to the augmented shipments from American and Indian ports; but it is stated that the shipments during May and June will be very small. The trade demand is very quiet, and at Manchester, although there has been no pressure to sell, buyers have refrained from operating largely, except at some concession in prices on the part of producers.

The following return shows the extent of our exports of the principal cotton, linen, silk, and woolen goods to the United States and France during the first three months of the present and last two years:

TO THE UNITED STATES.

	1867.	1868.	1869.
Cotton piece goods..... yds.	44,144,819	83,730,098	41,714,362
Cotton yarn..... lbs.	402,946	484,722	455,708
Linen piece goods..... yds.	29,449,010	20,773,444	21,232,902
Linen thread..... lbs.	400,401	240,241	212,748
Silk piece goods..... yds.	144,915	10,609	17,017
Woolen cloth..... yds.	2,553,658	1,512,652	1,303,668
Carpets and druggets..... yds.	1,512,291	855,544	1,517,201
Worsted stuffs..... yds.	16,718,183	19,452,410	21,799,590
Total.....	91,946,222	77,681,553	71,522,431

TO FRANCE.

	1867.	1868.	1869.
Cotton yarn..... lbs.	921,138	1,050,742	244,224
Cotton piece goods..... yds.	13,191,797	8,101,488	11,541,506
Cotton thread..... lbs.	24,979	51,013	24,717
Linen yarn..... lbs.	1,418,729	644,099	912,775
Linen piece goods..... yds.	1,459,599	9,091,5	1,063,517
Silk piece goods..... yds.	611	2,468	5,569
Woolen yarn..... lbs.	431,639	1,931,787	922,319
Woolen cloth..... yds.	2,041,518	691,714	462,305
Carpets and druggets..... yds.	71,923	91,912	115,203
Worsted stuffs..... yds.	6,575,546	4,422,407	4,300,551
Total.....	26,355,219	17,937,579	19,831,136

The public sales of Colonial wool were commenced this evening. The arrivals comprise 41,568 bales from New South Wales; 12,207, Victoria; 8,075, Van Dieman's Land; 2,868, Adelaide; 21,938, New Zealand; 3,820, Swan River, and 2,690 bales from the Cape of Good Hope. The biddings have ruled heavy. Australian wool has, in some instances, declined $\frac{1}{4}$ l. and Cape $\frac{1}{4}$ l. per lb. as compared with March last. The foreign demand is only moderate.

Our imports of wool this year have been very large, more especially from Australia. They were as follows during the first three months of the present and last two years.

	1867.	1868.	1869.
From Continent..... lbs.	2,442,353	1,410,705	2,072,677
Cape.....	5,471,580	5,037,936	6,444,182
British India.....	1,522,423	2,221,123	1,603,922
Australia.....	1,855,581	11,511,283	24,222,516
Other countries.....	1,981,858	2,511,422	346,222
Total.....	32,676,180	22,660,506	31,523,624

—while the exports have been as under:

COLONIAL.

	1867.	1868.	1869.
To Hanse Towns..... lbs.	893,743	2,613,471	2,711,409
Belgium.....	1,97,891	4,719,304	2,491,194
France.....	6,751,445	9,971,672	11,542,306
United States.....	80,379	29,411	51,126
Other countries.....	41,953	63,163	1,77,797
Total.....	10,152,321	18,017,635	19,721,232

FOREIGN.			
	1867.	1868.	1869.
To Hanse Towns.....lbs.	216,443	114,025	...
Belgium.....	849,408	759,090	254,122
France.....	539,461	75,278	46,057
United States.....	718,075	821,56	1,906,981
Other countries.....	183,370	20,043	107,758
Total.....	2,493,337	1,469,931	2,374,924
HOME GROWN.			
	1867.	1868.	1869.
To Hanse Towns.....lbs.	615,063	454,321	346,501
Belgium.....	265,429	87,597	293,111
France.....	276,391	1,87,927	361,277
United States.....	8,314	83,781	943,871
Other countries.....	281,751	343,145	255,340
Total.....	1,443,945	2,651,271	2,208,100

As regards the exports of woolen goods, the following are the particulars for the three months :

	1867.	1868.	1869.
Yarns, lbs.....	8,185,365	11,433,629	9,027,330
Cloth, yds.....	8,400,929	6,101,674	6,500,852
Flannels, yds.....	1,830,067	1,240,000	1,467,719
Blankets, yds.....	750,528	714,245	1,637,685
Blanketing and balzes, yds.....	437,756	28,296	239,212
Carpets and druggets.....	2,019,403	1,509,319	2,194,333
Shawls, rugs, &c., num.....	171,283	116,945	179,888
Woisted stuffs, yds.....	54,778,453	51,463,311	63,42,322

THE ANNUAL SAVINGS OF ENGLAND.

A correspondent of the London Economist writes as follows on this subject :

We have all seen statements of the annual savings of the United Kingdom, which have been variously estimated at from 150 to 200 millions £ down to nil, as I have lately seen estimated as the result of the year 1868 ; but I do not remember any concise statement of figures showing how such estimates are made out. I submit you such a statement herewith. I know that all calculations of this nature must be extremely vague, and cannot be relied on for any approximation to accuracy. I should be very glad if you or any of your correspondents, however, would point out any material errors which they may think I have made, or give me any better mode of forming an estimate from time to time of the general well-doing of the country as exhibited by such assumed facts..

The income on which income tax is raised is about	£370,000,000
“ “ “ “ “ not raised is assumed to be about the same	870,000,000
Total income of the United Kingdom.....	£140,000,000

EXPENDITURE.	
On food, at an average of 4s for each person per week—the cost of feeding in unions is about an average of 3s 6d per head per week—30,000,000 at 4s per head per week, or £10 16s per year, is Government and local direct taxes, all indirect taxes being paid in the price of the goods	£312,000,000
Fuel and light at £3 per family per annum. I assume that there are 5,500,000 families.....	40,000,000
Locomotion, per railway.....	16,500,000
And in other ways.....	22,000,000
Beer, spirits, and wine	50,000,000
Tobacco.....	8,000,000
House rent at £10 per house.....	57,000,000
Clothing at £2 per head.....	60,000,000
Sundry expenditure not enumerated in any of the above items, say £1 per head per annum.. ..	30,000,000—
Surplus of income over expenditure.....	593,500,000
	146,500,000

RAILROAD ITEMS.

MARIETTA AND CINCINNATI RAILROAD.—The earnings of this road for the year ending December 31, 1889, were as follows:

From passengers.....	\$72,373 48
" freight.....	814,829 25
" mail.....	21,787 44
" express.....	42,710 49
" telegraph.....	7,788 46
	<hr/>
	\$1,228,087 12
Expenditures.....	\$1,117,617 25
	<hr/>
Net earnings.....	\$120,469 77

Compared with the previous year the gross earnings show an increase of \$7,572 41; with an increase in expenses of \$135,911 76—making a decrease in net earnings of \$128,839 81. The report says:

The route from St. Louis via the Ohio and Mississippi and Marietta and Cincinnati and Baltimore and Ohio roads is *the shortest to the seaboard*, and the only obstacle to a large and remunerative traffic is the break of bulk now required at Cincinnati.

GENERAL REMARKS.

The difficulties caused by the embarrassed financial condition which has to a greater or less extent attended the company during its history, have to a considerable degree been overcome. The machinery and equipment are in excellent condition, and will probably compare favorably with those of any road in Ohio. The increase in rolling power, by rebuilding the four engines, heretofore referred to, will enable the company to transport promptly any amount of traffic which can be reasonably expected at present.

GENERAL BALANCE SHEET, December 31, 1888.

Dr.		Cr.	
Railroad and equipment.....	\$11,583,896 19	First pref. shares & scrip.....	\$810,719 41
Unional road purchase:		Second ".....	4,364,363 21
In cash.....	\$126,944 79	Common shares & scrip.....	3,097,783 25
In bonds.....	80,719 91—		<hr/>
Hillsboro' & Cincinnati Railroad	177,916 50		\$14,608,855 21
purchase:		First mortgage (sterling) bonds	
In cash.....	\$19,294 12	issued.....	1,050,000 00
In shares 1,.....	269,607 81—	First mortgage (currency) bonds	
Portsmouth Branch purchase (S.	1,833,796 93	issued.....	2,449,500 00
and H. V. R. R.).....	802,000 00	First mortgage (currency) scrip	4,843 51
Construction—Main line.....	2,740,813 55	Second mortgage bonds.....	2,500,000 00
" Cincinnati ex.....	1,251,110 30	S. & H. V. R. R. bonds.....	300,000 00
" Cincinnati bonds.....	1,134,861 20	Baltimore loan on Union R. R..	50,000 00
Suspense account.....	155,000 00	Pay roll.....	\$31,408 87
Real estate.....	550,256 77	Bills payable & cash	
Stocks and bonds.....	52,963 93	borrowed.....	241,263 13
Fuel and materials on hand....	105,529 89	Divid'd due on pre	
Bills receivable.....	7,999 34	for shares.....	7,468 50
Uncollected revenue.....	49,950 55	Individual accounts.....	99,620 87—
Col. and Hooking Valley R. R.			<hr/>
subscription.....	50,000 00		\$21,424,969 80
Profit and loss.....	874,375 65		
	<hr/>		
	\$21,424,969 80		

REPORT OF THE GEORGIA RAILROAD AND BANKING COMPANY for the fiscal year ending March 31, 1889:

EARNINGS.		OPERATING EXPENSES.	
From passenger receipts.....	\$331,739 78	For conducting transport'n.....	\$144,341 39
From freight receipts.....	761,694 25	For motive power.....	222,989 04
From mail receipts.....	21,037 01	For maintenance of way.....	243,239 12
	<hr/>	For maintenance of cars.....	57,957 23
Gross earnings.....	1,104,521 04		<hr/>
			578,525 63
		Earn. over & above ord. ex.....	\$525,995 35

EXTRAORDINARY EXPENSES.

Renewing locomotive engines (not ordinary repairs).....	\$61,978 15
New cars and rebuilding cars (not ordinary repairs).....	58,845 63
New railroad iron, rails and spikes (over and above ordinary repairs)	43,140 00
Ties used in laying new track, etc.....	5,74 81
Labor	2,449 58
Government tax on gross receipts.....	8,873 97—178,258 69
Net income	\$252,803 67

Out of which has been paid :

For 4 new locomotive engines.....	49,008 22	For balance paid to stockholders in	
For new freight house and office at		dividends	268,258 77
Atlanta	30,917 82		
For balance on new round house at			252,303 67
Atlanta.....	4,408 86		

These results compare with similar ones for the fiscal year ending March 31st 1868, as follows :

Receipts.....	\$1,002,723 66—\$1,104,521 04	Inc	\$100,797 88
Exp'n's and payments, ordinary and extraordinary	818,912 49—836,167 27	Inc.	17,24 78
Increase net income.....			\$83,542 60

It is somewhat remarkable that, while the last annual report made for every railroad connecting with, or in the neighborhood of the Georgia Railroad, shows a diminution in gross receipts, the gross receipts of your road have increased over one hundred thousand dollars.

Other roads have suffered in the falling off in their gross receipts as follows: Georgia Central Railroad, \$212,226 57; South Western Railroad, \$86,408 91; Western and Atlantic Railroad, \$329,584 11; Macon and Western Railroad, \$88,972 86; Atlanta and West Point Railroad, \$40,405 73, and the South Carolina Railroad, \$21,044 61.

The increase in travel amounts to \$83,424 50, in about equal proportion, the local, with the through, showing, I think, a more prosperous condition of our people.

The revenue from freight has increased \$67,572 87 over the earnings of that department for the last year. This increase is derived mostly from through business, resulting mainly from our improved connections and arrangements with the West, and the increased facilities for the transit of freight through the city of Augusta.

Condensed statement of the condition of the Georgia Railroad and Banking Company, on the 31st of March, 1869, the end of the financial year :

DR.		CR.	
The road and its outfit.....	\$4,156,000 00	Capital stock.....	\$4,156,000 00
Real estate	124,828 66	Profit and loss.....	718,283 58
Banking house and lot.....	85,000 00	Income from Railroad.....	1,067,282 99
Road expenses & expenditures for the road	882,090 10	Transportation of the mails	31,319 51
Incidental expenses and salaries	13 113 86	Interest, discount and premium account.....	17,451 51
Interest on bonds.....	29,633 58	Dividends on stocks.....	81,993 58
U. S. tax on dividend No. 49 and 50	15,395 80	Rent account.....	1,266 66
Tax paid State of Georgia.....	1,161 52	Bonds of this company.....	592,100 00
Materials on hand for road.....	77,516 44	Dividends unpaid.....	43,682 87
Stock of various roads.....	1,097,837 20	Due to other corporations and agents.....	80,397 48
Bonds of various roads.....	78,400 00	U. S. tax retained on coupons paid..	1,228 69
Discounted notes.....	2,549 11	Deposits	2,449 26
Assessment on stock.....	262 50	Circulation.....	110,995 08
Bills receivable	16,664 10		
Due by other corporations.....	11,170 00		
Notes of banks in Augusta.....	195,829 98		
Cash	129,76 26		
	\$6,855,988 61		\$6,855,988 61

THE KANSAS PACIFIC ROAD.—The report for 1868 furnishes the following: The company has 440 25.100 miles in operation, with depot property, improvements and equipments thereon. At the beginning of the year the main line was in operation to old Coyote station, 885 miles from State line. June 14, the road was opened to Monument, 885 miles; and August 16 was opened to Sheridan, near the North Fork of the Smokey Hill, 405 miles.

In operation January 1, 1868:

State line to Coyote.....	miles.	335
Leavenworth Branch.....		81 00
Wyandotte spur		1 15
State Line to Kansas City		1.75
Total		370.25

Added during the year:

Coyote to Sheridan.....		70
Total		440.25

EARNINGS AND EXPENSES.

The following table gives an exhibit of business as compared with 1867:

	1867.	1868.
Average length of rode operated.....	228 45.100	403 25.100

EARNINGS.

From Government business.....	\$511,863 04	\$457,920 18
Commercial "	1,071,883 44	1,361,165 53
Centr ctors' freight	250,948 14	145,394 73
Miscellaneous sources.....	49,633 14	11,001 39
Total earnings	\$1,883,853 76	\$1,910,161 83
Operating exp nses	1,227,618 69	1,135,494 20
Net earnings ..	\$606,235 07	\$673,667 63
Per cent expenses to earnings...	66 4.100	54 25.100
Earnings per mile.....		\$4.73 63
Operating expenses per mile.....		2.56 45
Net earnings		\$2.16 98

The items of expenses were:

Conucting transportation...	\$376,759 49
Motive power	416,307 39
Maintenance of cars.....	61,011 56
Maintenace of way.....	221,049 44
General expenses.....	59,425 23

TRAVEL AND TRAFFIC.

The total of passengers carried was 109,382—59,718 westward, and 40,619 eastward. Of the former 10,094 were immigrants settling in the State.

—The contract for putting down the iron on the Burlington, Cedar Rapids and Minnesota Railroad has been let. Track laying will commence at Burlington and Cedar Rapids about the 1st of June, and it is expected to have the whole line (160 miles) complete from Burlington to Waterloo by the 1st of January next. The company has already purchased 5,000 tons of iron, four locomotives, and a number of flat cars.

—The Dubuque and Sioux City Railway will be completed during the present season. On y one hundred and thirty-six miles are left between the East and West ends of the track, and of this, thirty miles from each end will be in operation before the 1st of July. Ten thousand tons of iron are coming forward from Scranton, Pa., via Oswego and the lakes, as rapidly as possible, and the entire work is progressing with all the energy that men and money can command.

CHICAGO, ROCK ISLAND & PACIFIC R.R.—The annual report for the year ending March 31st shows the following:

The gross earnings for the year amount to.....	\$5,231,979.75
The operating, legal expenses, taxes, &c, are.....	2,528,820.61

Leaving net earnings :	\$2,703,159.14
Paid dividends, interest and Peoria rent	2,267,520.29

Surplus earnings for the year	\$445,638.85
-------------------------------------	--------------

The percentage of operating expenses to earnings, including local expenses and taxes, is 48.2-100 per cent.

The percentage of operating expenses to earnings, less local expenses and taxes, is 45.28-100 per cent.

The profit and loss account shows a credit balance for the year ending April 1.	\$1,597,214.02
Deduct dividend paid April 10.....	731,000.00

Total	\$866,214.02
-------------	--------------

Or a surplus of a little over 6 per cent.

The report estimates that the company will require the sum of \$3,448,120, to meet the payments falling due the next thirteen months, as follows:

Bonds of the Bridge Company due January, 1870, guaranteed by this Company.....	\$400,000
Bonds of the Chicago & Rock Island Railroad Company due July, 1870.....	1,497,000
One-half cost of building new bridge over the Mississippi river at the city of Rock Island	800,000
New freight buildings and additional track in the city of Chicago	77,120
New equipment	681,000

Total	\$3,448,120
-------------	-------------

The balance sheet shows the company had on hand, and available, the following items, April 1:

Cash in Assistant Treasurer's hands	\$1,177,045.03
Bills receivable.....	289,070.00

Total	\$1,466,115.03
From which should be deducted the dividend paid April 10	\$ 731,115.03

Since the date for which this report was made (April 1) the most of this balance, together with the current earnings, have been expended in paying the final estimates of the contractors and other expenses incidental to building and preparing for operating the new portion of the road between Des Moines and the Missouri river, so that the company, after providing for the payment of the July interest on their bonded indebtedness, will be virtually out of cash.

To raise these necessary funds, the company will either have to resort to an increase of its capital stock and the sale of the same, or a further issue of its mortgage bonds, either or both of which it is fully authorized to do.

THE INDIANA RAILROAD LAW.—At the recent session of the Indiana Legislature an important bill, authorizing counties and townships to aid in the construction of railroads, was passed, and is now the law of the State. Its most important provisions are as follows:

Whenever one hundred freeholders shall petition the County Commissioners for an appropriation to aid some organized railroad company to construct their road through or in the county to an amount named within the petition, and not exceeding two per cent of the taxables, as shown by the last duplicate, the Commissioners are to order the polls opened upon a day by them appointed, of which four weeks' notice is to be given by publication, for the voters of the county to vote upon the subject. If a majority of the votes cast are in favor of the appropriation, then the Commissioners are to levy a tax at their ensuing June session to raise the money; but the tax in one year cannot exceed one per cent of the taxables, nor can the aid voted to each road exceed two per cent thereon. When the money is collected the county can either take stock in the road and pay when it is subscribed, or a donation can be made by the Commissioners to aid in its construction. If the money is donated payments can be made only after the road is located and work upon it done and paid for to an amount equal to the donation, nor can more than fifty per

cent of the amount voted be donated until the cars run over the road through the county. A failure to commence work within one year after the tax is levied, or failure to complete the road within three years, forfeits all right to the money voted, unless, for good cause shown, a year additional is granted by the Commissioners; and all money forfeited goes into the general fund of the county. The provisions of the bill are also made applicable to townships whenever twenty-five freeholders shall present a petition from their township for aid to a road to be built through the same.

WEST WISCONSIN RAILWAY.—This road, formerly known as the Tomah and Lake St. Croix Railroad, is progressing with the completion of its line, and has now in operation 82 miles of road from Tomah on the line of the Milwaukee & St. Paul Road to Black River Falls. The road, when completed, will extend from Tomah, through several towns already of considerable size, and a fine agricultural and lumbering district to Lake St. Croix, and thence to St. Paul, shortening very much the distance between that city and Milwaukee and Chicago. The company has a full land grant of 6,400 acres of land to the mile in alternate sections; and it is the opinion of parties well acquainted with the nature of the country through which the road passes, that the land will sell for enough to pay the entire amount of bonds issued for construction.

The portion of the road now open is operated by the Milwaukee & St. Paul Company under a contract, and it is stated by the officers that the earnings of the road were sufficient to pay the July interest on the debt the amount for that purpose being deposited in the London and County Bank, early in June.

The first mortgage 7 per cent gold bonds of the West Wisconsin Railway are quoted among the American securities on the London Exchange, and at the price for which they are negotiated, should be a very valuable security, and will undoubtedly advance to much higher prices upon the completion of the road to St. Paul.

The Milwaukee Chamber of Commerce recently adopted unanimously the following resolutions in regard to this road:

Resolved, That Milwaukee, represented by this body, feels the importance of the early completion of the road to St. Paul.

Resolved, That the energy exhibited by Mr. D. A. Baldwin and his associates in carrying to completion the first section of the road in a manner so creditable to them, challenges our respect and confidence.

Resolved, That the West Wisconsin Railroad has, in our opinion, a solid and substantial basis, sufficient to appeal with confidence to capitalists, at home and abroad, for assistance in the completion of the work.

Resolved, That this body extend to the West Wisconsin Railroad all the aid in its power, with the full confidence that, while the work is one of importance to our city and the country which it penetrates, it cannot fail, under such management as has thus far characterized it, to prove a profitable investment to capital.

—The State Treasurer of North Carolina has delivered to H. S. Cowan, Esq., President of the Wilmington, Charlotte and Rutherford Railroad Company \$1,000,000 of North Carolina State bonds for that road. Mr. Cowan will call a stockholders meeting on the 25th of July next, to elect officers of the road.

—Lancaster county, Neb., the second county west of the Missouri, has voted aid to secure the extension of the Burlington and Missouri River Railroad through it. The terms under which the bonds are issued are that the company are to have the line under contract from Plattsmouth to Lincoln before the 15th of June.

—The Western Union Railroad has been sold to Alexander Mitchell, President of the Milwaukee and St. Paul Railway Company, under whose management the road will hereafter be run.

—The Iron Mountain Railroad was opened to Fredericktown to-day, 105 miles from St. Louis, which leaves only a gap of 25 miles to be ironed between St. Louis and Belmont, and which will be finished in a few days. Mr. Allen, the President of the road, will visit New York in a few days, on business connected with the construction of the road from Worley, Mo., along the western bank of the Mississippi River to a point opposite Memphis. Large grants of land and of stock have been guaranteed to be taken by the counties through which the road will pass. The citizens generally are alive to the importance of the project.

—At a meeting of the Directors of the Iowa Falls and Sioux City Railroad, at Dubuque, on the 10th inst., a mortgage of the road was authorized to secure the bonds, at the rate of \$16,000 per mile, from Iowa Falls to Sioux City. President Blair, in conversation, stated that work upon the road will be pushed forward as fast as possible, and is sanguine that regular trains will be running into Sioux City by the 1st of June, 1870. Six miles of iron will be laid within the next thirty days, and rails are now landed in Chicago sufficient to lay the road for one hundred miles.

—The stock and bondholders of the St. Louis, Jacksonville and Chicago Railroad have authorized the Board of Directors to contract for the extension of the road, beginning at Hopedale, a point twenty-two miles south of Bloomington, and running through or near the towns of Tremont and Washington, in Tazewell county; Metamora, in Woodford county, and Wenona, in Marshall, and thence to Dwight, on the Chicago and Alton Railroad. It has also been determined to build a branch of the road to Lacon, on the Illinois river.

—THE MEMPHIS EL PASO AND PACIFIC RAILROAD COMPANY give notice that sealed proposals will be received at their offices, 66 Exchange place, till September 1, 1869, for the clearing, grading, track laying, &c., on one hundred and sixty-five miles of their road.

—The authorities of the Columbia and Charlotte and Columbia and Augusta Railroads have agreed upon terms of consolidation, to be ratified or rejected by their respective stockholders in July. Under the terms agreed upon, the stock of the Columbia and Augusta Railroad is valued at \$22 a share, that of the Charlotte and South Carolina Railroad is valued at par, and four and a half shares of the former are to be received for one share of the latter.

PITTSBURG, FORT WAYNE AND CHICAGO RAILROAD LEASE.—In regard to the terms of this agreement the *New York Times* says: "A railway friend, who has closely examined the recent lease of the Fort Wayne road, writes as follows: The Board of Directors of the Pittsburg, Fort Wayne and Chicago Railway Company, under the resolution of the stockholders and bondholders adopted at their meeting on the 24th, have decided to issue a seven per cent guaranteed stock, the dividend on which will be payable quarterly on the first day of January, April, July and October in each year. These dividends will be free of the United States income tax, and special precautions have been made in the lease that they shall ever hereafter be free from deductions for any tax. It is understood that certificates are being prepared, and that when ready for exchange due notice will be given."

THE KANSAS PACIFIC RAILROAD (E. D.)

The following shows the exhibit of the General Account, March 31, 1869 :

DEBTOR.

Cost of construction and equipment, 438 miles, including surveys to the Pacific, right of way, and real estate purchased	\$22,692,217 84
Interest on funded debt, and amount paid for discount and interest, since December 31, 1863	90,234 41
Due from Government for transportation	177,160 91
Bills receivable (chiefly Land Notes)	274,843 76
Due from other companies.	14,835 01
Due from individuals, including amounts advanced on audited accounts	25,084 73
Agents' balances	68,490 96
Value of supplies on hand	\$227,909 30
Sundry investments	60,457 34
	<hr/>
	288,865 64
Cash and securities on hand	55,774 65
Profit and loss	7,810 67
	<hr/>
	\$23,692,518 08

yards to the United States, and 9,200,000 yards to Brazil. The following statement shows the extent of our exports to the United States in the first three months of the present and last two years:

	1887.	1888.	1889.
Alkali, cwt	879,041	825,343	428,478
Beer & ale gals.	5,879	5,071	5,888
Coals, tons	22,664	22,130	17,626
COTTON MANUFACTURES:			
Piece goods, yds.	44,144,819	33,750,048	44,714,365
Thread, lb	402,144	481,721	435,702
Earth ware and Porcelain pkgs	70,201	21,663	2,284
Haberdash ry an Millinery value.....	2514,856	284,507	297,188
HANDWARE AND CUTLERY:			
Knives forks, &c., value.....	278,180	247,539	246,280
Anvils, vices, &c., value.....	28,443	16,130	22,401
Manufactures of German silver, value.....	125,914	92,290	125,629
LINEN MANUFACTURES—			
Piece goods, yards.	29,442,010	20,771,444	21,236,941
Thread, lbs	400,904	241,284	212,785
METALS—			
Iron—Pig, &c., tons	29,153	5,877	25,771
Bar, &c., tons.	12,107	6,761	16,880
Railroad, tons	8,901	120,027	143,206
Castings, tons	128	61	41
Hoops, sheets and boiler plates tons.....	4,491	2,540	9,096
Wrought, tons.	2,259	164	2,486
Steel Unwrought, tons	5,879	2,793	4,386
Copper, wrought, cwts.....	2,517	651	1,022
Lead, pig, tons	1,346	2,222	1,229
Tin plates, cwts.....	216,842	241,201	420,000
Oil seed, galls	310,824	87,14	28,884
Salt, tons	31,445	44,440	42,586
SILK MANUFACTURES—			
Broad piece goods, &c., yards	196,905	150,789	257,617
Handkerchiefs, scarfs, &c., dozens.....	403	52	52
Ribbons of silk only, lbs	12,80	9,363	4,72
Other articles of silk only, value.....	218,063	72,141	40,678
Silk manuf's mixed with other materials.....	224,714	19,718	22,749
Spirits, British, gals.....	7,977	11,710	16,650
Wool, lbs.....	8,314	52,731	912,271
WOOLEN AND WORSTED MANUFACTURES—			
Cloth, yards	2,045,665	1,512,652	1,758,652
Carpets and druggets, yards..	1,326,241	220,44	1,527,907
Shawls, rugs, &c., number..	52,046	31,261	21,473
Worsted stuffs, yards.....	16,768,86	12,935,440	21,738,560

The following return shows the prices of cereal produce at three periods in the current season, viz: when new produce commenced to arrive freely at market, when Spring corn was at its highest point, and, lastly during the present week. The downward movement in wheat has been uninterrupted, and it is believed that, as it was fully anticipated, no losses have been incurred, so much caution having been exercised throughout the season. Barley and oats, however, advanced to a high point by the commencement of November, but from that period a somewhat rapid downward movement set in, and the result has been that prices have declined (as in the case of foreign feeding barley) as much as 18% per quarter, or about 3% per cent. Beans have declined from 1 s. to 15s.; peas, 3s to 6s.; and Indian corn 8s. to 9s. per quarter:

	Aug 2, 1888. Per quarter.	Nov. 2, 1888. Per quarter.	May 2, 1889. Per quarter.
Wheat:			
English red.....	56s. 8d.	53s. 5d.	52s. 4d.
English white.....	55s. 11d.	54s. 5d.	53s. 4d.
Foreign red.....	54s. 2d.	51s. 14d.	50s. 4d.
Foreign white.....	60s. 8d.	54s. 5d.	51s. 5d.
Barley:			
English malting	34s. 14d.	37s. 14d.	32s. 4d.
English grinding	32s. 1s.	35s. 3d.	30s. 4d.
Foreign grinding.....	31s. 8d.	33s. 2d.	29s. 2d.
Oats:			
English feed.....	28s. 6d.	27s. 5d.	27s. 2d.
Foreign feed.....	24s. 3d.	26s. 2d.	24s. 2d.

Beans:			
English	44@50s.	45@50s.	37@43s.
Foreign	41@48s.	41@48s.	3. @38s.
Peas:			
English	47@48s.	44@48s.	37@45s.
Foreign	41@46s.	43@41s.	36@39s.
Indian Corn:			
White	59@12s.	35@28s.	29@30s.
Yellow	39@12s.	36@17s.	27@28s.
Flour:			
Town made.....	Per 280 lb	Per 270 lb	Per 280 lb
Country.....	50@54s.	43@17s.	38@43s.
French	42@52s.	3 @4 s.	2 @35s.
	50 1/2 52s.	43@14s.	3 @36s.
American.....	Per barrel.	Per barrel.	Per barrel.
	28@25s.	25@30s.	23@27s.

During the past three months of the current year our imports of wheat into the United Kingdom were 1,400,000 cwt. less than they were in the corresponding period in 1868. The more important feature in the return is the diminution of about 1, 00,000 cwt. in our receipts from Egypt. The following are the chief particulars of our imports of wheat and flour in the first three months of the present and last two years :

WHEAT.			
	1866.	1867.	1868.
Russia.....cwt.	2,789,215	2,375,173	2,545,526
Prussia.....	901,117	611,131	915,376
France.....	234,073	11,123	94,300
Illyria, Croatia and Dalmatia Turkey, Moldavia & Wallachia.....	577,918	1,353,146	571,466
Egypt.....	10,964	1,24,362	200,135
United States	508,244	1,868,119	1,471,265
Total, including other countries	6,031,832	8,465,521	7,036,015

FLOUR.			
	1866.	1867.	1868.
Paris Towns	129,052	152,805	171,879
France	315,182	186,438	479,665
United States	69,560	201,702	191,601
Total, including other countries.....	513,794	540,945	742,145

Annexed is a statement showing the imports and exports of wheat and flour, into and from the United Kingdom, from September 1 to the close of last week :

WHEAT.			
From—	Imports.		Exports.
	1867-8.	18 8-9.	1867-8.
Sept. 1 to May 1.....cwt.	24,816,560	19,373,281	565,610

FLOUR.			
Sept. 1 to May 27.....	2,366,112	2,758,733	33,263

Annexed is an approximate statement of the imports of cereal produce into the United Kingdom in April and in four months. This year's April statement embraces a period of 28 days ; but that of the previous three years, 30 days:

IMPORTS IN APRIL.			
	1865.	1866.	1867.
Wheat.....cwt	1,51,160	3,231,018	3,091,269
Barley.....	62,874	591,114	508,233
Oat	54,269	78,531	74,127
Peas	94,712	72,411	33,002
Beans	52,391	134,464	145,952
Indian corn.....	75,702	975,614	891,270
Flour	483,818	245,280	218,363

IMPORTS IN FOUR MONTHS.			
	1865.	1866.	1867.
Wheat.....	7,123,508	9,231,870	11,560,890
Barley.....	1,618,415	2,725,840	1,792,431
Oats	1,775,511	2,113,318	1,991,995
Peas	201,867	281,423	252,310
Beans	119,135	650,611	621,259
Indian corn.....	4,071,576	2,281,401	3,191,557
Flour	2,644,418	1,131,463	1,021,735

Business during the present week in the manufacturing districts has been extremely quiet. There has, however, been a fair amount of buying on the part of the United States; but, with few exceptions, the greatest caution has been observed, and but few purchases have been made in excess of actual requirements. Cotton is lower in price, owing to the augmented shipments from American and Indian ports; but it is stated that the shipments during May and June will be very small. The trade demand is very quiet, and at Manchester, although there has been no pressure to sell, buyers have refrained from operating largely, except at some concession in prices on the part of producers.

The following return shows the extent of our exports of the principal cotton, linen, silk, and woolen goods to the United States and France during the first three months of the present and last two years:

TO THE UNITED STATES.			
	1867.	1868.	1869.
Cotton piece goods..... yds.	44,144,819	33,770,098	41,714,322
Cotton yarn..... lbs.	402,946	484,724	455,783
Linen piece goods..... yds.	29,449,010	20,773,444	31,256,922
Linen thread..... lbs.	400,401	240,244	212,765
Silk piece goods..... yds.	141,915	10,000	17,817
Woolen cloth..... yds.	2,553,605	1,512,652	1,356,068
Carpets and druggets..... yds.	1,512,291	865,544	1,517,001
Worsted stuffs..... yds.	16,718,185	19,552,440	21,779,580
Total.....	91,946,223	77,681,558	101,522,45

TO FRANCE.			
	1867.	1868.	1869.
Cotton yarn..... lbs.	921,128	1,050,743	244,204
Cotton piece goods..... yds.	13,124,797	8,101,488	11,541,506
Cotton thread..... lbs.	24,979	51,003	24,717
Linen yarn..... lbs.	1,618,729	644,099	942,075
Linen piece goods..... yds.	1,459,590	2,091,5	1,065,817
Silk piece goods..... yds.	611	2,466	5,568
Woolen yarn..... lbs.	431,639	1,921,787	922,319
Woolen cloth..... yds.	2,041,518	691,714	622,505
Carpets and druggets..... yds.	71,923	91,912	115,203
Worsted stuffs..... yds.	6,575,546	4,422,407	4,369,501
Total.....	26,355,219	17,937,579	19,831,136

The public sales of Colonial wool were commenced this evening. The arrivals comprise 41,568 bales from New South Wales; 12,207, Victoria; 8,075, Van Dieman's Land; 2,358, Adelaide; 21,933, New Zealand; 3,820, Swan River, and 32,090 bales from the Cape of Good Hope. The biddings have ruled heavy. Australian wool has, in some instances, declined $\frac{1}{4}$ d. and Cape $\frac{1}{4}$ @1d. per lb. as compared with March last. The foreign demand is only moderate.

Our imports of wool this year have been very large, more especially from Australia. They were as follows during the first three months of the present and last two years.

	1867.	1868.	1869.
From Continent..... lbs.	2,422,359	1,410,705	8,072,577
Cape.....	5,471,520	5,047,923	6,444,182
British India.....	1,523,743	2,221,123	1,600,022
Australia.....	1,855,581	11,511,293	24,546,316
Other countries.....	1,981,853	2,521,432	348,236
Total.....	33,676,180	23,660,506	51,573,634

—while the exports have been as under:

COLONIAL.			
	1867.	1868.	1869.
To Home Towns..... lbs.	893,743	2,615,471	2,711,400
Belgium.....	1,97,891	4,759,304	2,420,194
France.....	6,751,465	9,971,872	11,522,306
United States.....	80,872	29,411	54,136
Other countries.....	44,959	63,685	1,77,797
Total.....	10,152,327	18,017,635	19,721,833

FOREIGN.			
	1867.	1868.	1869.
To Hanse Towns.....lbs.	216,448	114,625	.....
Russia.....	849,108	759,090	254,122
France.....	530,461	75,278	46,017
United States.....	718,675	321,56	1,966,981
Other countries.....	183,370	20,043	107,758
Total.....	2,498,357	1,469,931	2,374,924
HOME GROWN.			
	1867.	1868.	1869.
To Hanse Towns.....lbs.	615,063	451,821	346,501
Belgium.....	265,426	87,597	293,111
France.....	276,391	1,37,927	364,277
United States.....	8,314	83,781	948,371
Other countries.....	281,751	848,145	255,840
Total.....	1,448,945	2,651,271	2,208,100

As regards the exports of woolen goods, the following are the particulars for the three months :

	1867.	1868.	1869.
Yarns, lbs.....	8,185,365	11,423,629	9,027,330
Cloth, yds.....	8,400,929	6,101,674	6,350,812
Flannel, yds.....	1,820,067	1,240,090	1,467,719
Blankets, yds.....	750,588	714,246	1,637,685
Blanketing and balzes, yds.....	437,756	28,296	239,212
Carpets and druggets.....	2,019,405	1,519,319	2,194,333
Shawls, rugs, &c., num.....	111,233	116,945	179,828
Woolsted stuffs, yds.....	54,778,453	51,465,311	63,42,322

THE ANNUAL SAVINGS OF ENGLAND.

A correspondent of the London *Economist* writes as follows on this subject :

We have all seen statements of the annual savings of the United Kingdom, which have been variously estimated at from 150 to 200 millions £ down to nil, as I have lately seen estimated as the result of the year 1868 ; but I do not remember any concise statement of figures showing how such estimates are made out. I submit you such a statement herewith. I know that all calculations of this nature must be extremely vague, and cannot be relied on for any approximation to accuracy. I should be very glad if you or any of your correspondents, however, would point out any material errors which they may think I have made, or give me any better mode of forming an estimate from time to time of the general well-doing of the country as exhibited by such assermed facts.

The income on which income tax is raised is about	£370,000,000
“ “ “ “ not raised is assumed to be about the same	870,000,000
Total income of the United Kingdom.....	£740,000,000

EXPENDITURE.		
On food, at an average of 4s for each person per week—the cost of feeding in unions is about an average of 8s 6d per head per week—81,000,000 at 4s per head per week, or £10 16s per year, is	£312,000,000	
Government and local direct taxes, all indirect taxes being paid in the price of the goods	40,000,000	
Fuel and light at £3 per family per annum. I assume that there are 5,500,000 families.....	16,500,000	
Locomotion, per railway.....	£17,000,000	
And in other ways.....	5,000,000—	22,000,000
Beverages, and wine	50,000,000	
Tobacco.....	8,000,000	
Housing at £10 per house.....	55,000,000	
Clothing at £2 per head.....	60,000,000	
Unenumerated expenditure not enumerated in any of the above items, say £1 per head per annum..	80,000,000—	593,500,000
Surplus of income over expenditure.....		146,500,000

RAILROAD ITEMS.

MARIETTA AND CINCINNATI RAILROAD.—The earnings of this road for the year ending December 31, 1859, were as follows:

From passengers.....	\$70,373 48
" freight.....	814 529 25
" mail.....	23,737 44
" express.....	42,710 49
" telegraph.....	7,738 48
	<hr/>
Expenditures.....	\$1,215,687 13
	<hr/>
Net earnings.....	\$128,489 77

Compared with the previous year the gross earnings show an increase of \$7,572 41; with an increase in expenses of \$185,911 76—making a decrease in net earnings of \$128,489 81. The report says:

The route from St. Louis via the Ohio and Mississippi and Marietta and Cincinnati and Baltimore and Ohio roads is *the shortest to the seaboard*, and the only one able to a large and remunerative traffic is the break of bulk now required at Cincinnati.

GENERAL REMARKS.

The difficulties caused by the embarrassed financial condition which has to a greater or less extent attended the company during its history, have to a considerable degree been overcome. The machinery and equipment are in excellent condition, and will probably compare favorably with those of any road in Ohio. The increase in rolling power, by rebuilding the four engines, heretofore referred to, will enable the company to transport promptly any amount of traffic which can be reasonably expected at present.

GENERAL BALANCE SHEET, December 31, 1868.

Dr.		Cr.	
Railroad and equipment.....	\$11,581,896 19	First pref. shares & scrip.....	\$310,719 41
Unional road purchase:		Second " ".....	4,364,383 25
In cash.....	\$126,944 79	Common shares & scrip.....	3,039,728 25
In bonds.....	80,719 91—		<hr/>
	177,916 50		\$146,083 91
Hillsboro' & Cincinnati Railroad		First mortgage (sterling) bonds	
purchase:		issued.....	1,050,000 00
In cash.....	\$19,394 12	First mortgage (currency) bonds	
In shares 1,.....	269,500 81—	issued.....	2,442,500 00
	1,838,796 93	First mortgage (currency) scrip	4,342 61
Portsmouth Branch purchase (S.		Second mortgage bonds.....	2,500,000 00
and H. V. R. R.).....	800,000 00	S. & H. V. R. R. bonds.....	300,000 00
Construction—Main line.....	2,740,812 55	Baltimore loan on Union R. R.	20,000 00
" Cincinnati ex.....	1,251,110 30	Pay roll.....	\$ 31,408 87
" discount on bonds.....	1,184,861 20	Bills payable & cash	
Suspense account.....	155,000 00	borrowed.....	241,263 13
Real estate.....	550,256 77	Divid'd due on pre	
Stocks and bonds.....	52,963 93	for cash.....	7,468 50
Fuel and materials on hand....	103,529 89	Individual accounts..	99,620 87—
Bills receivable.....	7,999 34		<hr/>
Uncollected revenue.....	49,950 55		\$21,424,229 30
Col. and Hooking Valley R. R.			
subscription.....	50,000 00		
Profit and loss.....	874,875 65		
	<hr/>		
	\$21,424,969 80		

REPORT OF THE GEORGIA RAILROAD AND BANKING COMPANY for the fiscal year ending March 31, 1869:

EARNINGS.		OPERATING EXPENSES.	
From passenger receipts.....	\$331,739 78	For conducti'g transport'n.....	\$144,341 39
From freight receipts.....	761,694 28	For motive power.....	221,689 04
From mail receipts.....	21,057 01	For maintenance of way.....	243,230 12
	<hr/>	For maintenance of cars.....	57,997 93
Gross earnings.....	1,104,521 04		<hr/>
			575,258 48
		Earn. over & above ord. ex.....	\$529,262 56

EXTRAORDINARY EXPENSES.

Renewing locomotive engines (not ordinary repairs).....	\$61,976 15
New cars and rebuilding cars (not ordinary repairs).....	58,645 63
New railroad iron, chairs and spikes (over and above ordinary repairs)	43,000 00
Ties used in laying new track, etc.....	5, 74 81
Labor	7,449 84
Gov. rnment tax on gross receipts.....	8,373 97—176,258 69
Net income	\$252,803 67

Out of which has been paid :

For 4 new locomotive engines.....	49,003 22	For balance paid to stockholders in dividends	268,853 77
For new freight house and office at Atlanta	30,947 82		252,903 67
For balance on new round house at Atlanta.....	4,408 63		

These results compare with similar ones for the fiscal year ending March 31st 1868, as follows :

Receipts.....	\$1,003,723 66—\$1,104,521 04	Inc	\$100,797 38
Exp'n's and payments, ordinary and extraordinary	818,913 49—886,167 27	Inc.	17,247 79
Increase net income.....			\$83,542 60

It is somewhat remarkable that, while the last annual report made for every railroad connecting with, or in the neighborhood of the Georgia Railroad, shows a diminution in gross receipts, the gross receipts of your road have increased over one hundred thousand dollars.

Other roads have suffered in the falling off in their gross receipts as follows: Georgia Central Railroad, \$212,226 57; South Western Railroad, \$86,408 91; Western and Atlantic Railroad, \$329,524 11; Macon and Western Railroad, \$83,972 86; Atlanta and West Point Railroad, \$40,405 73, and the South Carolina Railroad, \$21,044 61.

The increase in travel amounts to \$33,424 50, in about equal proportion, the local, with the through, showing, I think, a more prosperous condition of our people.

The revenue from freight has increased \$67,572 87 over the earnings of that department for the last year. This increase is derived mostly from through business, resulting mainly from our improved connections and arrangements with the West, and the increased facilities for the transit of freight through the city of Augusta.

Condensed statement of the condition of the Georgia Railroad and Banking Company, on the 31st of March, 1869, the end of the financial year :

DR.		CR.	
The road and its outfit.....	\$4,156,000 00	Capital stock.....	\$4,156,000 00
Real estate	124,828 66	Profit and loss.....	718,233 53
Banking house and lot.....	85,000 00	Income from Railroad.....	1,067,232 99
Road expenses & expenditures for the road	882,090 10	Transportation of the mails	31,319 51
Incidental expenses and salaries	13 113 36	Interest, discount and premium account.....	17,451 51
Interest on bonds.....	29,633 58	Dividends on stocks.....	81,993 58
U. S. tax on dividend No. 49 and 50	15,395 80	Rent account.....	1,566 66
Tax paid State of Georgia.....	1,161 52	Bonds of this company.....	592,160 00
Materials on hand for road.....	77,516 44	Dividends unpaid.....	43,682 37
Stock of various roads.....	1,097,837 20	Due to other corporations and agents.....	30,397 48
Bonds of various roads.....	72,400 00	U. S. tax retained on coupons paid.....	1,226 69
Discounted notes.....	2,549 11	Deposits	3,549 26
Assessment on stock.....	269 50	Circulation.....	110,995 08
Bills receivable	16,564 10		
Due by other corporations.....	11,170 00		
Notes of banks in Augusta.....	195,229 98		
Cash	129,766 25		
	<hr/>		<hr/>
	\$6,245,988 61		\$6,245,988 61

THE KANSAS PACIFIC ROAD.—The report for 1868 furnishes the following: The company has 440 25.100 miles in operation, with depot property, improvements and equipments thereon. At the beginning of the year the main line was in operation to old Coyote station, 835 miles from State line. June 14, the road was opened to Monument, 885 miles; and August 16 was opened to Sheridan, near the North Fork of the Smokey Hill, 405 miles.

In operation January 1, 1868:

State line to Coyote.....miles.	335
Leavenworth Branch.....	21 80
Wyandotte spur.....	1 75
State line to Kansas City.....	1 70
Total	370.25

Added during the year:

Coyote to Sheridan.....	70
Total	440.25

EARNINGS AND EXPENSES.

The following table gives an exhibit of business as compared with 1867:

	1867.	1868.
Average length of rode operated....	228 45.100	403 26.100

EARNINGS.

From Government business.....	\$511,363 04	\$487,920 28
Commercial ".....	1,071,883 44	1,264,165 53
Contractors' freight.....	250,963 14	143,354 73
Miscellaneous sources.....	49,638 14	13,691 29
Total earnings.....	\$1,883,853 76	\$1,910,161 83
Operating expenses.....	1,727,618 69	1,686,494 29
Net earnings ..	286,233 07	\$873,657 53
Per cent expenses to earnings.....	66 4.100	54 26.100
Earnings per mile.....		\$4.75 63
Operating expenses per mile.....		2,569 65
Net earnings ..		\$2,165 96

The items of expenses were?

Conducting transportation....	\$378,759 50
Motive power.....	416,307 20
Maintenance of cars.....	61,072 54
Maintenance of way.....	221,129 44
General expenses.....	59,486 23

TRAVEL AND TRAFFIC.

The total of passengers carried was 109,332—59,718 westward, and 40,619 eastward. Of the former 10,094 were immigrants settling in the State.

—The contract for putting down the iron on the Burlington, Cedar Rapids and Minnesota Railroad has been let. Track laying will commence at Burlington and Cedar Rapids about the 1st of June, and it is expected to have the whole line (160 miles) complete from Burlington to Waterloo by the 1st of January next. The company has already purchased 5,000 tons of iron, four locomotives, and a number of flat cars.

—The Dubuque and Sioux City Railway will be completed during the present season. On y one hundred and thirty-six miles are left between the East and West ends of the track, and of this, thirty miles from each end will be in operation before the 1st of July. Ten thousand tons of iron are coming forward from Scranton, Pa., via Oswego and the lakes, as rapidly as possible, and the entire work is progressing with all the energy that men and money can command.

CHICAGO, ROCK ISLAND & PACIFIC R.R.—The annual report for the year ending March 31st shows the following:

The gross earnings for the year amount to.....	\$5,231,979.75
The operating, legal expenses, taxes, &c, are.....	2,523,820.61

Leaving net earnings	\$2,708,099.14
Paid dividends, interest and Peoria rent	2,262,520.29

Surplus earnings for the year	\$445,578.85
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The percentage of operating expenses to earnings, including local expenses and taxes, is 48 2 -100 per cent.

The percentage of operating expenses to earnings, less local expenses and taxes, is 45 23-100 per cent.

The profit and loss account shows a credit balance for the year ending April 1.	\$1,597,214.02
Deduct dividend paid April 10.....	781,000.00

Total	\$861,841.02
-----------------	--------------

Or a surplus of a little over 6 per cent.

The report estimates that the company will require the sum of \$3,448,120, to meet the payments falling due the next thirteen months, as follows:

Bonds of the Bridge Company due January, 1870, guaranteed by this Company.....	\$400,000
Bonds of the Chicago & Rock Island Railroad Company due July, 1870.....	1,397,000
One-half cost of building new bridge over the Mississippi river at the city of Rock Island	800,000
New freight buildings and additional track in the city of Chicago	771,120
New equipment	581,000

Total	\$3,448,120
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The balance sheet shows the company had on hand, and available, the following items, April 1:

Cash in Assistant Treasurer's hands	\$1,177,045.03
Due receivables.....	289,070.00

Total	\$1,466,115.03
From which should be deducted the dividend paid April 10	\$ 781,115.03

Since the date for which this report was made (April 1) the most of this balance, together with the current earnings, have been expended in paying the final estimates of the contractors and other expenses incidental to building and preparing for operating the new portion of the road between Des Moines and the Missouri river, so that the company, after providing for the payment of the July interest on their bonded indebtedness, will be virtually out of cash.

To raise these necessary funds, the company will either have to resort to an increase of its capital stock and the sale of the same, or a further issue of its mortgage bonds, either or both of which it is fully authorized to do.

THE INDIANA RAILROAD LAW.—At the recent session of the Indiana Legislature an important bill, authorizing counties and townships to aid in the construction of railroads, was passed, and is now the law of the State. Its most important provisions are as follows:

Whenever one hundred freeholders shall petition the County Commissioners for an appropriation to aid some organized railroad company to construct their road through or in the county to an amount named within the petition, and not exceeding two per cent of the taxables, as shown by the last duplicate, the Commissioners are to order the polls opened upon a day by them appointed, of which four weeks' notice is to be given by publication, for the voters of the county to vote upon the subject. If a majority of the votes cast are in favor of the appropriation, then the Commissioners are to levy a tax at their ensuing June session to raise the money; but the tax in one year cannot exceed one per cent of the taxables, nor can the aid voted to each road exceed two per cent thereon. When the money is collected the county can either take stock in the road and pay when it is subscribed, or a donation can be made by the Commissioners to aid in its construction. If the money is donated payments can be made only after the road is located and work upon it done and paid for to an amount equal to the donation, nor can more than fifty per

month, than at its commencement; there has been, however, a necessary curtailment of the operations of the smaller class of speculators, and hence the aggregate transactions for the month fall materially below those for the same month of last year, the total sales at the Stock Exchange having been 821,294 shares, against 1,183,114 shares in June, 1868. The business has been very much confined to a few stocks affected by schemes of consolidation, especially New York Central, Hudson River and Michigan Southern; while the general list has been remarkably quiet.

Classes.	1868.	1869.	Increase.	Dec.
Bank shares ..	1,659	1,556	...	108
Railroad "	978,064	694,003	...	272,061
Coal "	2,212	2,343	1,104	...
Mining "	2,554	26,796	...	4,250
Improv'nt "	16,775	7,550	...	9,225
Telegraph "	24,773	14,945	...	9,828
Steamship "	82,726	88,812	...	44,416
Expr'ss &c "	61,831	85,288	...	16,033
Total—June.....	1,183,114	821,294	...	361,820
Since January 1..	10,817,619	7,844,182	...	2,473,437

United States securities have naturally been heavy, under the condition of the money market, the only sustaining element having been the weekly purchases of the Government. Gold has been depressed, the price having declined about $2\frac{1}{2}$ from the opening figures; and the prices of bonds abroad have not correspondingly advanced; on the contrary, Five-twenties were the same at London on the 30th as on the 1st. There has been little or no foreign demand for bonds, the changed position of the Alabama question having checked the demand from English investors. The stringency of money has prevented the active speculative buying which usually occurs in the latter half of June, in anticipation of the demand for the reinvestment of the July interest; while the fears of a money panic have naturally induced a certain amount of selling. Under these adverse conditions of the market, it is a remarkable evidence of the strength of our national securities that prices should have been maintained with such steadiness as appears from the following daily quotations.

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of June as represented by the latest sale officially reported, are shown in the following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	—6's, 1881.—		—6's, (3-20 yrs.) Coupon—					—5's, 1880	
	Coup.	Reg.	1863	1864	1865, new	'67.	'68.	Cps	
1.....	122 $\frac{1}{2}$	.....	122 $\frac{1}{2}$	117 $\frac{1}{2}$	118 $\frac{1}{2}$	120	120 $\frac{1}{2}$	109 $\frac{1}{2}$	
2.....	122	.....	122 $\frac{1}{2}$	117 $\frac{1}{2}$	118 $\frac{1}{2}$	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
3.....	122	117 $\frac{1}{2}$	.....	.....	118 $\frac{1}{2}$	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
4.....	.....	117	122 $\frac{1}{2}$	117	118 $\frac{1}{2}$	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
5.....	.....	.....	122 $\frac{1}{2}$	117 $\frac{1}{2}$	118 $\frac{1}{2}$	120	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
7.....	121 $\frac{1}{2}$	117 $\frac{1}{2}$	122 $\frac{1}{2}$	117 $\frac{1}{2}$	118 $\frac{1}{2}$	120	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
8.....	121 $\frac{1}{2}$	117 $\frac{1}{2}$	.....	117 $\frac{1}{2}$	118 $\frac{1}{2}$	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
9.....	121 $\frac{1}{2}$	117 $\frac{1}{2}$	122 $\frac{1}{2}$	117 $\frac{1}{2}$	118 $\frac{1}{2}$	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
10.....	.....	117	122 $\frac{1}{2}$	117 $\frac{1}{2}$	118 $\frac{1}{2}$	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
11.....	.....	117	122 $\frac{1}{2}$	117 $\frac{1}{2}$	118 $\frac{1}{2}$	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
12.....	.....	.....	122 $\frac{1}{2}$	117	.....	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
14.....	.....	.....	122 $\frac{1}{2}$	117 $\frac{1}{2}$	119	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
15.....	.....	116 $\frac{1}{2}$	122 $\frac{1}{2}$	.....	.....	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
16.....	121 $\frac{1}{2}$	116 $\frac{1}{2}$	122 $\frac{1}{2}$	116 $\frac{1}{2}$	118 $\frac{1}{2}$	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
17.....	.....	116 $\frac{1}{2}$	122 $\frac{1}{2}$	116 $\frac{1}{2}$	118 $\frac{1}{2}$	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
18.....	121 $\frac{1}{2}$	.....	122 $\frac{1}{2}$	117 $\frac{1}{2}$	118 $\frac{1}{2}$	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
19.....	121	.....	121 $\frac{1}{2}$	117	118 $\frac{1}{2}$	119	.....	107 $\frac{1}{2}$	
21.....	.....	.....	122	116 $\frac{1}{2}$	118 $\frac{1}{2}$	119 $\frac{1}{2}$	118 $\frac{1}{2}$	109	
22.....	121 $\frac{1}{2}$	.....	122 $\frac{1}{2}$	117 $\frac{1}{2}$	118 $\frac{1}{2}$	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109 $\frac{1}{2}$	
23.....	121 $\frac{1}{2}$	117	122 $\frac{1}{2}$	116 $\frac{1}{2}$	117 $\frac{1}{2}$	119 $\frac{1}{2}$	119 $\frac{1}{2}$	107 $\frac{1}{2}$	
24.....	121	116 $\frac{1}{2}$	122	116 $\frac{1}{2}$	.....	119 $\frac{1}{2}$	119 $\frac{1}{2}$	109	

Day of month.	5's, 1881.		5's, (5-20 yrs.) Coupon				5's, 10-4.		
	Coup.	Reg.	1882.	1884.	1885.	new. 1887.	1888.	1889.	1890.
25.....	121½	117	121½	117½	118½	120	120	120	108½
26.....	121½	117	121½	117½	118½	120	120	120	108½
27.....	121½	117	121½	117½	118½	120	120	120	108½
28.....	121½	117	121½	117½	118½	120	120	120	108½
29.....	121½	117	121½	117½	118½	120	120	120	108½
30.....	121½	117	121½	117½	118½	120	120	120	108½
First.....	121½	117	121½	117½	118½	120	120	120	108½
Highest.....	121½	117	121½	117½	118½	120	120	120	108½
Lowest.....	121	116½	121½	117½	118½	120	120	120	107½
Last.....	121½	117	121½	117½	118½	120	120	120	107½

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities quoted the at New York Stock Exchange during the months of May and June, 1869 :

Railroad Stocks—	May				June			
	Open.	high.	Low.	Clos.	Open.	High.	L w.	Clos.
Alton & Terre Haut.....	39	40	28	39	40	40	33	38
do do pref.....	59	73½	61	63	61	63	58	60
Chicago & Alton.....	161	161	156	159	157	158	152½	150
do do pref.....	160	16	158½	160	159	160	151	150
Chicago, Burl. & Quincy.....	130	139	130	130	127	129	120	120
do do Northwest'n.....	87½	94	85	88	88½	93½	77½	81½
do do do pref.....	98½	10½	94½	104½	104½	105½	94½	95½
do do & Rock Island.....	123	128½	123	125½	125½	126	115	118½
Columb. Chic. & Ind. C.....	46	47	41½	43½	44½	43½	39	40
Clev. & Pittsburgh.....	93½	98½	93	94½	102½	103½	91½	101
do Col. Cin & Ind.....	78½	78½	68½	75½	75	78½	71	74
Del., Lack & Western.....	116	119½	116	119	117	119	113	113
Dubuque & Sioux city.....	116½	116½	110	110	108	109	105	107
Harlem.....	151½	152	146½	151½	153	157	143	146½
do do pref.....	145	150	145	150	150	150	143	146½
Hannibal & St. Joseph.....	115	120	114½	120	120	120	117½	120
do do do pref.....	114½	119½	112½	119½	123½	124	118	120
Hudson River.....	153	154½	153	157½	157½	158½	153½	155
Illinois Central.....	145	148	145	146½	146½	147	143	145
Joliet & Chicago.....	.....	.....	.....	.....	96	98	96	96
Long Island.....	.....	.....	.....	.....	60	60	59	59
Lake Shore.....	108½	117	108	117	116½	117	107½	107½
do do & Mich. South.....	.....	.....	.....	.....	101	101½	102½	101½
Mar. & Cincin., 1st.....	21	23	21	22	23½	23½	21	23
do do 2d.....	8	9	8	8½	6½	6½	6½	6½
Michigan Central.....	126	129½	126	126	121	126½	126	123½
do do S. & N. Ind.....	103½	118½	103	118½	118½	119	107½	107½
Milwaukee & St. Paul.....	78½	79½	75½	78½	79½	80	79½	78½
do do do pref.....	87½	91½	85	91	91	91½	81½	86½
Morris & Essex.....	91	91	90	91	90½	90½	89	89½
New Haven & Hartford.....	210	210	210	210	.....	.....	.....	.....
New Jersey.....	127	127	127	127	121	123	120	123
do do Central.....	111½	121	111	116½	117	123½	101	108
New York Central.....	177½	194½	172½	189	191½	197½	183	186½
do do & N. Haven.....	130	140	130	140	129	140	125	136
do do do scrip.....	126	126	126	125	125	126	124½	124½

Norwich & Worcester.....	104	105	104	105	105	105	105	105
Ohio & Mississippi.....	83½	86½	82½	85½	85½	87	82	83½
do do pref.....	76½	79½	76½	79½	70	70	70	70
Panama.....	825	825	840	800	800	810	295	295
Pittsb., Ft. W. & Chica.....	140	159½	140	156½	156½	159	152½	155½
Reading.....	96½	101½	95	99½	100½	100½	96½	97½
R. me, W. & Cgdensb'g.....	120	125	120	125	125	125	125	125
Toledo, Wab. & Western.....	78½	78½	72	77½	77½	77½	6½	72
do do do pref.....	70	82½	79	82½	82	82	80	81
Miscellaneous—								
Central.....	66	66	66	66	...	...	...	...
Cumberland Coal.....	30½	86	80	86	36	86	83½	84½
Del. & Hud. Canal Coal.....	180	184	180	183½	131	134	130	131
Pennsylvania.....	...	...	...	...	225	225	225	225
Wilkes-Barre Coal.....	45	45	35	45	45	66	45	65
Pacific Mail.....	92	9½	80½	81½	81½	93½	80½	86½
Boston Water Power.....	16	17½	16	16½	16½	17	16½	16
Canton.....	62½	65½	62½	64	66½	68	62	64
Brunswick City.....	9	9	1½	8½	8½	11	8½	11
Mariposa.....	21	24½	18½	21½	24	24½	7	8
do 1st pref.....	...	...	...	...	81	83	81½	81½
do pref.....	43½	58	43½	50½	50½	50½	14	1½
Quicksilver.....	20	21½	14	14	15½	15½	14	16½
West. Union Telegraph.....	43½	44½	42	43½	43½	43½	83	29
Mahattan Gas.....	230	230	230	240	250	250	250	250
Bankers & Brokers Ass.....	106	106	106	107	109	110	108	110
Express—								
American.....	...	...	...	...	40½	40½	40½	40½
American M. Union.....	41	41	38½	39	39½	44½	39	41½
Adams.....	62	62	59	60	59½	68½	59	63
United States.....	63	63	63	66½	67	73	66	72½
Merchant's Union.....	15½	16	14½	14½	15	15½	14	16
Wells, Fargo & Co.....	35½	36½	31½	31½	30½	32½	29½	32

The gold premium has fluctuated between 139½ and 136½, opening at 138½ and closing at 137½; which is about 2 points below the range for the same month of last year, and about 1 point higher than in June, 1867. The predominant tone of speculation has perhaps been in favor of higher figures, based mainly upon the course of the foreign trade movement for the last few months. The condition of the money market, inducing very high charges for carrying gold has held in check speculative operations; and some who have long held heavy amounts for a rise, have become sellers, with the hope of buying back should the market become more buoyant. The supply coming upon the market has been about \$2,500,000 more than for the same period of last year, being, as will appear from the subjoined statement, \$11,614,000; while the withdrawals for export and customs duties has been \$10,419,000, or \$1,195,000 below the supply. Since the opening of the Pacific Railroad the record of arrivals of California treasure is necessarily incomplete, inasmuch as a considerable amount comes by rail, of which no accessible statement is kept.

The following formula will show the movement of coin and bullion at the port of New York during the month of June, 1868 and 1869, respectively:

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK.

	1868.	1869.	Increase.	Decrease.
Receipts from California.....	8,933,294	197,717	.....	3,735,467
Imports of coin and bullion.....	640,908	183,567	.....	453,256
Coin interest paid.....	1,79,749	2,131,615	1,351,826	.....
Total reported supply.....	\$5,353,956	\$3,514,959	\$.....	\$2,558,997
Exports of coin and bullion.....	\$10,903,582	\$1,572,108	.....	\$9,391,449
Customs duties.....	8,206,096	8,847,210	641,114	.....
Total withdrawn.....	\$19,169,678	\$10,419,843	\$.....	\$8,750,285
Excess of withdrawals.....	12,815,722	6,894,881	.....	5,921,239
Specie in banks increased.....	.....	1,206,007	1,206,007	.....
“ “ decreased.....	10,107,788	.....	.....	10,107,788
Derived from unreported sources.....	\$2,707,934	\$2,100,391	\$5,392,457	.....

COURSE OF GOLD AT NEW YORK.

Date.	Open'g	Lowest	Highest	Closing	Date.	Open'g	Lowest	Highest	Closing
Tuesday	1 137 1/2	136 1/2	138 1/2	137 1/2	Wednesday	23 137 1/2	137	137 1/2	137 1/2
Wednesday	2 138 1/2	138 1/2	139 1/2	138 1/2	Thursday	24 137 1/2	137 1/2	137 1/2	137 1/2
Thursday	3 137 1/2	137 1/2	138 1/2	137 1/2	Friday	25 137 1/2	137 1/2	137 1/2	137 1/2
Friday	4 137 1/2	137 1/2	138 1/2	137 1/2	Saturday	26 137 1/2	137 1/2	137 1/2	137 1/2
Saturday	5 138 1/2	138 1/2	139 1/2	138 1/2	Sunday	27 137 1/2	137 1/2	137 1/2	137 1/2
Sunday	6 138 1/2	138 1/2	139 1/2	138 1/2	Monday	28 137 1/2	137 1/2	137 1/2	137 1/2
Monday	7 138 1/2	138 1/2	139 1/2	138 1/2	Tuesday	29 137 1/2	137 1/2	137 1/2	137 1/2
Tuesday	8 138 1/2	138 1/2	139 1/2	138 1/2	Wednesday	30 137 1/2	137 1/2	137 1/2	137 1/2
Wednesday	9 138 1/2	138 1/2	139 1/2	138 1/2	June 1, 1869	138 1/2	138 1/2	138 1/2	138 1/2
Thursday	10 138 1/2	138 1/2	139 1/2	138 1/2	" 1869	138 1/2	138 1/2	138 1/2	138 1/2
Friday	11 138 1/2	138 1/2	139 1/2	138 1/2	" 1867	138 1/2	138 1/2	138 1/2	138 1/2
Saturday	12 138 1/2	138 1/2	139 1/2	138 1/2	" 1866	138 1/2	138 1/2	138 1/2	138 1/2
Sunday	13 138 1/2	138 1/2	139 1/2	138 1/2	" 1865	138 1/2	138 1/2	138 1/2	138 1/2
Monday	14 138 1/2	138 1/2	139 1/2	138 1/2	" 1864	138 1/2	138 1/2	138 1/2	138 1/2
Tuesday	15 138 1/2	138 1/2	139 1/2	138 1/2	" 1863	138 1/2	138 1/2	138 1/2	138 1/2
Wednesday	16 138 1/2	138 1/2	139 1/2	138 1/2	" 1862	138 1/2	138 1/2	138 1/2	138 1/2
Thursday	17 138 1/2	138 1/2	139 1/2	138 1/2	Since Jan 1, 1869	138 1/2	138 1/2	138 1/2	138 1/2
Friday	18 138 1/2	138 1/2	139 1/2	138 1/2					
Saturday	19 138 1/2	138 1/2	139 1/2	138 1/2					
Sunday	20 138 1/2	138 1/2	139 1/2	138 1/2					
Monday	21 138 1/2	138 1/2	139 1/2	138 1/2					
Tuesday	22 138 1/2	138 1/2	139 1/2	138 1/2					

The following exhibits the quotations at New York for bankers 60 days bills on the principal European markets daily in the month of June, 1869:

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1	109 1/2 @ 109 1/2	517 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
2	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
3	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
4	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
5	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
6	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
7	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
8	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
9	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
10	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
11	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
12	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
13	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
14	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
15	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
16	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
17	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
18	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
19	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
20	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
21	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
22	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
23	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
24	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
25	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
26	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
27	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
28	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
29	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
30	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
June 1, 1869	109 1/2 @ 109 1/2	518 1/2 @ 517 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	70 1/2 @ 71
June 1, 1868	110 @ 110	518 1/2 @ 517 1/2	41 1/2 @ 41 1/2	79 @ 79	86 1/2 @ 86 1/2	71 1/2 @ 72

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1:

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend'r's.	Ag. clear'g's.
January 2....	\$259,090,017	\$20,734,123	\$24,379,009	\$180,490,445	\$18,896,421	\$585,501,799
January 9....	258,792,362	21,234,420	24,314,156	187,904,530	51,14,128	70,712,061
January 16....	262,828,831	29,238,526	34,379,153	185,484,843	53,927,083	675,796,671
January 23....	264,404,609	28,604,197	31,345,908	197,101,168	51,022,119	67,224,549
January 30....	265,171,109	31,734,923	34,221,158	198,985,422	54,747,569	609,260,206

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.	Ag. clear'g.
February 6.	266,641,733	27,483,404	14,248,495	196,001,899	62,414,123	679,719,479
February 13.	264,890,407	8,854,821	21,263,451	192,977,400	52,834,932	690,754,499
February 20.	263,434,06	25,311,91	24,247,321	187,612,546	50,997,197	70,991,049
February 27.	261,871,697	20,832,003	24,247,981	186,816,175	50,833,154	699,111,21
March 6.	262,080,863	19,416,634	24,271,325	182,601,487	49,141,100	737,111,123
March 13.	261,109,695	19,253,171	24,690,445	182,992,458	42,839,621	699,771,75
March 20.	263,008,349	18,212,306	24,141,810	183,601,949	50,714,974	720,711,03
March 27.	263,909,549	18,078,722	24,777,844	180,112,610	60,155,103	797,917,98
April 3.	261,433,675	10,717,259	21,816,916	175,325,729	43,496,359	687,111,091
April 10.	267,140,227	8,791,548	24,603,390	171,426,540	43,644,742	611,116,451
April 17.	265,184,863	7,811,779	24,480,707	172,203,494	51,011,123	772,345,74
April 24.	257,458,074	8,830,101	21,045,11	177,310,080	5,677,688	759,905,106
May 1.	260,426,190	9,267,615	22,971,053	163,946,165	56,416,722	712,116,119
May 8.	269,494,879	16,161,410	22,924,140	19,612,87	68,169,473	91,114,571
May 15.	269,494,879	15,374,69	23,977,793	199,392,449	66,501,556	166,720,509
May 22.	270,375,162	17,429,401	23,927,296	199,414,869	57,411,123	720,717,11
May 29.	274,933,461	17,871,100	23,910,415	213,015,609	67,610,373	78,114,11
June 5.	275,919,609	10,061,113	22,912,393	199,124,042	61,239,422	786,211,34
June 12.	271,923,725	19,053,580	24,141,790	193,886,105	60,049,213	696,116,645
June 19.	263,341,006	19,025,444	21,196,829	196,214,10	49,612,436	126,214,121
June 26.	260,431,733	20,917,140	24,214,795	431,774,635	44,163,920	76,117,143

PHILADELPHIA BANK RETURNS.

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.	\$51,716,999	\$234,433	\$18,210,397	\$22,121,022	\$10,571,11
January 11.	51,642,287	544,691	13,411,109	22,768,511	11,501,73
January 18.	52,122,723	476,402	13,729,493	24,625,158	10,506,41
January 25.	52,517,015	411,847	14,054,170	25,555,463	10,513,94
February 1.	52,612,813	2,279	14,216,570	29,677,442	10,511,21
February 8.	52,639,716	1,011	13,795,596	40,040,099	10,516,23
February 15.	52,929,391	201,681	13,573,043	35,711,573	10,611,24
February 22.	52,416,146	2,1307	13,403,507	27,940,968	10,411,16
March 1.	52,251,211	266,383	13,610,606	2,765,005	10,411,16
March 8.	52,231,000	297,697	13,568,201	22,293,966	10,411,16
March 15.	51,911,519	277,617	13,936,817	27,671,562	10,411,16
March 22.	51,824,419	276,097	12,768,768	26,946,403	10,411,16
March 29.	50,697,00	210,644	12,021,115	24,663,344	10,411,16
April 5.	50,419,496	1,210,11	12,169,221	25,575,654	10,411,16
April 12.	50,770,193	184,346	12,443,257	26,029,122	10,411,16
April 19.	51,478,871	167,816	12,941,763	27,031,747	10,611,16
April 26.	51,994,923	164,361	13,611,063	27,417,225	10,611,16
May 3.	51,510,983	201,759	14,911,571	29,971,241	10,611,16
May 10.	51,936,630	270,625	14,621,803	34,178,808	10,611,16
May 17.	52,168,196	276,167	14,696,383	40,692,742	10,611,16
May 24.	52,861,764	174,115	15,067,008	41,614,110	10,611,16
May 31.	52,210,874	184,567	15,484,847	42,471,319	10,611,16
June 7.	52,630,257	169,816	15,371,666	42,310,230	10,611,16
June 14.	53,124,800	152,451	15,178,812	47,002,077	10,611,16
June 21.	53,810,096	148,796	14,972,123	42,066,901	10,611,16
June 28.	53,661,172	180,684	14,567,227	41,517,716	10,611,16

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.	\$1,309,401	\$12,232,224	\$27,538,767	\$2,151,164	\$2,151,164
January 11.	1,076,844	12,964,700	28,036,891	25,211,164	25,211,164
January 18.	2,677,688	12,972,837	29,717,193	25,211,164	25,211,164
January 25.	2,394,710	12,229,874	29,561,747	25,211,164	25,211,164
February 1.	1,161,234	12,414,225	40,278,463	25,211,164	25,211,164
February 8.	2,072,909	12,432,796	29,623,617	25,211,164	25,211,164
February 15.	1,845,534	11,642,566	27,709,712	25,211,164	25,211,164
February 22.	1,545,416	11,607,790	26,222,814	25,211,164	25,211,164
March 1.	1,222,986	11,300,149	25,429,468	25,211,164	25,211,164
March 8.	1,297,589	10,943,973	26,515,630	25,211,164	25,211,164
March 15.	1,217,315	10,969,183	24,051,716	25,211,164	25,211,164
March 22.	1,230,261	10,490,443	22,641,077	24,138,211	24,138,211
March 29.	987,769	11,646,223	22,921,430	24,138,211	24,138,211
April 5.	662,378	11,243,884	22,504,039	24,138,211	24,138,211
April 12.	730,160	11,891,519	24,402,777	24,138,211	24,138,211
April 19.	639,460	11,419,996	21,987,071	24,138,211	24,138,211
April 26.	617,435	12,761,637	25,204,202	24,138,211	24,138,211
May 3.	708,968	12,252,112	24,726,743	24,138,211	24,138,211
May 10.	1,577,749	12,513,472	27,467,857	24,138,211	24,138,211
May 17.	1,124,586	12,686,597	22,706,204	24,138,211	24,138,211
May 24.	934,500	12,191,543	20,977,051	24,138,211	24,138,211
May 31.	772,897	12,694,837	20,494,694	24,138,211	24,138,211
June 7.	640,553	12,454,601	22,491,466	24,138,211	24,138,211
June 14.	691,743	12,943,115	27,467,857	24,138,211	24,138,211
June 21.	966,796	12,067,805	22,921,946	24,138,211	24,138,211
June 28.	1,105,622	11,764,603	24,221,417	24,138,211	24,138,211

THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW

AUGUST, 1869.

OUR IMPORTS AND EXPORTS.

We cannot sympathize with the disposition shown in some quarters to underrate the importance of our foreign trade returns, as an index of the balance of accounts between our own and foreign countries. The trade statistics of the country are now placed in charge of a special bureau, and best attainable accuracy. It is true, some items of importance in our instance, as the movement in bonds sold by immigrants, and the amounts interest payable upon foreign capital upon our importations. Our commerce, however, affords no reason for rejecting movements which constitute four other nations.

It is to indicate that, while our imports important decrease in our exports, the balance was continued up to about were enlarged by free shipments of exhibit a moderate decline. Returns of Mr. Walker, in charge of the Bureau of

Statistics, enable us now to form a close approximate estimate of the course of the foreign trade for the first nine months of the past fiscal year, i. e., from July 1, 1868, to March 31, 1869.

We present the following statements, compiled from the official returns, including specie in both the imports and exports, the exports being reduced to gold value in the Government statement so as to compare upon even terms with the imports, which are always entered in specie values :

(1.) IMPORTS AND EXPORTS OF THE UNITED STATES (SPECIE INCLUDED) FOR THE NINE MONTHS ENDING MARCH 31, 1869.

		Imports.			Imports.
July, 1868.....		\$35,849,916	Dec., 1868.....		\$31,992,178
Aug., ".....		84,589,797	Jan., 1869.....		30,112,694
Sept., ".....		84,526,775	Feb., ".....		35,172,726
Oct., ".....		32,297,545	March, ".....		50,195,124
Nov., ".....		28,908,550			
Total imports—nine months.....					\$303,596,553
			—Exports—Gold value—		
			Dom. exports,	Re-exports,	
			produce and	merchandise	
			gold.	and gold.	
July, 1868.....			\$23,746,854	\$1,641,670	
Aug., ".....			19,749,787	1,755,625	
Sept., ".....			17,741,801	1,520,642	
Oct., ".....			22,464,419	1,538,573	
Nov., ".....			28,865,795	1,032,907	
Dec., ".....			33,701,950	1,647,787	
Jan., 1869.....			27,655,515	1,232,671	
Feb., ".....			29,840,233	2,217,547	
March, ".....			34,182,637	2,958,224	
Totals—nine months.....			\$227,933,901	\$15,919,463	
Add re-exports.....			15,919,463		
Total exports—gold value.....			\$243,853,364		

Later reports bring the movement down to the close of April. The imports for that month, are stated at \$52,176,828, and the exports at \$42,607,341 in mixed currency, while the re-exports are given at \$2,980,351, principally in gold value. Reducing the exports for this month to gold value we should have the following as the trade movement for the ten months ending April 30, 1869 :

(2.) IMPORTS AND EXPORTS OF UNITED STATES FOR TEN MONTHS ENDING APRIL 30, 1869

Imports, specie included.

For nine months ending March 31, 1869.....	\$303,596,553
For month of April, 1869.....	52,176,828
Total imports—ten months.....	\$355,773,381

Exports and re-exports, specie included.

For nine months ending March 31, 1869.....	\$243,853,364
For month of April, 1869.....	42,607,341
Total exports—ten months.....	\$286,460,705

(3.) RECAPITULATION.

Total imports for the ten months.....	\$355,773,381
Total exports for the ten months.....	286,460,705
Excess of imports, gold value.....	\$69,312,676
4. <i>Import and Exports for ten months ending April 30, 1869.</i>	
Imports, specie included, gold value.....	\$304,334,070
Exports, specie included, gold value.....	204,923,479
Excess of exports, gold value.....	\$599,000

The statistical results here presented are not such as could have been desired; and but for the large increase in the imports at our own port and a proportionate decrease in the exports both of produce and specie, for some months past, we should have been disposed to question the accuracy of the official returns. It appears that while the imports for the ten months have reached \$356,700,000, the exports have been only \$279,700,000, showing an adverse balance, upon the trading account, of \$77,000,000 in gold.

This result is the more remarkable from the fact that the period covers the export of nearly our whole surplus of cotton, which this year realized very high prices, and the shipments of which, for nine months out of the ten, amounted to 497,500,000 pounds. In nearly every other article of export there has been a material decrease, the net result being that, for the ten months, the exports are \$25,232,000 in gold value less than for the same period of last year; while, on the other hand, the imports for the same period, are \$52,469,000 higher. The trade movement for the corresponding months of 1867-8 shows an almost even balance, the exports, as will be seen from table 4, being \$689,000 in excess of the imports.

There are, however, other items which require to be added to the debtor side of the account. Our interest account has now become a weighty one. It is very generally estimated that over \$900,000,000 of United States bonds are now held in Europe; on which the annual interest amounts to about \$55,000,000 in gold; while, upon other miscellaneous stocks and bonds held abroad, the interest and dividends cannot amount to less than \$10,000,000 in gold, making a total of interest payments to Europe of \$65,000,000 per annum. Adding the proportion of this item, say \$52,000,000 for the ten months, to the adverse commercial balance, we are found to stand debtor to other countries about \$129,000,000 on the ten months' transactions. The freight account upon our imports and exports is by no means unimportant, as two-thirds of our trade is done in foreign bottoms; but this is an item too indefinite to admit of estimate.

The main contribution toward the liquidation of this balance consists of shipments of securities. As, however, there is no other record of these remittances than such as exists in the private accounts of the shippers, it is impossible to present any accurate statement of this movement. We have taken some pains to ascertain the views of prominent foreign bankers upon the amount of this item, and as those firms are accustomed to compare estimates, their opinions possess considerable weight, and may be regarded as very nearly correct. The average estimate of these parties does not exceed \$100,000,000, for, the ten months under review representing about \$72,500,000 in gold. This, too, probably is an extreme estimate; and it is proper to remark that it exceeds the figures suggested by firms who have sent out a large proportion of the whole exports of securities.

Some allowances should be made for the fact that a certain amount of our imports are consigned here on foreign account, and that the remittances against such consignments, after allowing for losses and charges are sometimes considerably below the value at which the goods were entered at the Custom House. But, on the other hand, it is to be considered that, in some cases, the amount realized upon this class of importations exceeds their invoiced value; and, indeed, it is reasonable to suppose that the consignments would not be continued from year to year were there not, upon the average, a profit to the consignors. Nor is it to be overlooked that there is a certain extent of under-invoicing importations, in order to reduce the aggregate duties upon them; in which cases, the remittances exceed the value entered at the Custom House. But again on the other hand, there is an average profit upon our consignments of products to other countries, which may be taken as setting off the profits upon foreign consignments to our own ports. Upon the whole, then, it would appear that the only items really necessary to be taken into the account are the imports and exports of produce and specie, the indebtedness accruing in the way of interest upon foreign capital invested here, and the shipments of securities. Above, we have presented the figure representing each of these items; and, if the estimate of the exports of securities can be accepted as approximating the truth, it would follow that, at the close of the ten months, there was a net balance against the country of about \$60,000,000 in gold. This may seem a very undesirable, not to say dangerous, condition of accounts. It is not, however, the first time, within the last four or five years, that we have found ourselves in such a position. For the first two years after the close of the war, our imports ran constantly very largely in excess of our exports; yet we then found it practicable to settle our balances by remittances of securities. Assuming that the European money markets are open to receive our bonds to as large an extent as during late years of over-trading, there would seem to be nothing in this adverse balance to cause immediate uneasiness. Under the circumstances, however, it is impossible not to feel some solicitude as to the present disposition of European capitalists to increase their investments in our securities. The latest advices from Frankfort represent a reaction as having set in upon the Continental Bourses from the late speculative excitement, and that the markets are well supplied with our bonds; how far this may prove to be temporary remains to be seen. During the remaining two months of the fiscal year it is likely that this adverse balance will be decreased somewhat through increased exports of breadstuffs, as our imports are now on a reduced scale.

THE FUTURE PRODUCTION OF COTTON.

BY B. F. NOURSE.*

PAST ACCUMULATION OF WEALTH FROM THE PRODUCTION OF COTTON.

During the ten years 1851-1860, the crops produced in the cotton-growing States, (cotton, sugar, tobacco, rice, &c.,) not consumed at home, left a surplus of proceeds from sales amounting to about \$1,200,000,000, an average of \$120,000,000 per year, which, less the amount required to be expended beyond their borders for the comforts or luxuries of life, should have been so much added to the reproductive capital within those States. If one-half only was thus required, the other half, or \$60,000,000 per year, should have been put to profitable use.

Throughout the Southern States some internal improvement was in progress, chiefly in the form of railroads. In some States, as in Georgia, these works had been largely extended. Cheaply built and economically operated, they generally proved to be profitable investments, capable of rapidly repaying the loans incurred for their construction, which in many cases covered a great part of the cost.

A large amount of banking capital was well employed, but this, when not owned abroad, was chiefly the product of the commissions and other charges upon the produce of the country, and not to any considerable extent drawn from the accumulating capital of planters.

The capital which had built the few cotton and other factories and the machine shops had also accrued chiefly from charges upon the productions of the country. What, then, was done with the \$60,000,000 or whatever other sum represented the true annual gains of agriculture in these States? The statistics of population show pretty clearly that a great part of it was expended in importing slaves from other States.†

PRESENT AND FUTURE INCREASE OF WEALTH IN COTTON STATES.

When considering this subject in its economical aspect only, special effects bearing upon individuals or classes are to be disregarded for the general results affecting the whole community.

Population is wealth. Money sent from Alabama to Virginia to increase the laboring power of Alabama, even by importing slaves at \$2,000 each, added in some degree to the wealth of that State. But if laborers of equal productive power could have been introduced without expending any thing for them, the capital expended in the other case would have been saved, and the community would have gained its use in some other form of productive power, as in tools, machinery or ani-

* This is taken from advanced sheets of Mr. Nourse's report on cotton, as Commissioner to the Paris Universal Exposition.

† See Atkinson's "Cotton Cotton by Free Labor," page 30, and DeBow's Analysis of the Census of 1850 quoted in the former.

mal labor, with which to supplement and increase the value of manual labor. To the whole people, or the State, that is just the difference, in the *investment*, between importing a slave and importing a free laborer of equal capacity. There are other differences to the State, scarcely less important in an economical view, all in favor of the free laborer. Whatever the cotton-producing States expended for slaves above the cost of importing an equal amount of free-labor power was twice lost to the community.

Reckoning the slaves in the cotton States prior to 1861 at 3,000,000 in number, of the average nominal value of \$500, equal to 1,000,000 full hands, at \$1,500 each, we had an investment of \$1,500,000,000; and to replenish this force a large sum, much needed for other uses, was annually drawn from the gains of those States.

If, in 1860, the people, by unanimous consent, had declared emancipation of all those slaves, whether with or without compensation to those who had owned their service, there would have been neither loss nor gain to the community, except as the change might increase or diminish the efficiency of labor or the cost of its maintenance. There would have been no "annihilation of property," for the whole labor power would have remained as before, only it would have changed owners.

Precisely so stands the effect of the decree of emancipation, made as an act of war, with this difference, however, that the laborers of both races were sadly reduced and demoralized by the incidents of the war which wrought the change. The same laboring force still exists, with the exception mentioned, and except, also, that the sudden and violent change in relations between capital and labor render further time and experience necessary to make it fully effective.

While it is indisputably true that free labor is always cheaper than slave labor, when each is under its most favorable conditions, the demonstration of that truth needs more favorable circumstances than were found in the years 1866, 1867. The prejudices of those who must use it were arrayed against it. Scarcity of food and of other necessities of life followed an exhausting war. The sufferings of the very poor of both races were alleviated by government rations and by private beneficence; but planters were compelled to supply all the wants of themselves and their laborers, while breadstuffs were at very high prices, and implements, farming animals, and their subsistence were equally scarce and dear. At first the freedmen were not disposed to work for hire—demanded excessive wages, and after excepting them, too often rendered poor service. The crops of both cotton and grain failed, more or less, in both those years throughout the South. In some cases there was

failure to fulfill contracts on the part of the employer, from disability or other causes, while the "shares of the crop" which had been accepted by the freedmen as wholly or in part of lieu of wages, often resulted in "nothing but loss" leaving the freedmen destitute and the planter in a condition not much better.

It was not until 1868, the third season of the free labor experiment, that it became generally successful in its operation and results. Then improvement appeared, and the harvest, abundantly supplying the people with cheap food, leaves a surplus stored up for the future. The profit arising from the sale of the exportable productions of the same season will amount to \$250,000,000; and a reasonable forecast of the future sees a promise of equal gain in some of the succeeding years, the increase of quantity compensating for any reduction of price.

The annual gain, be it \$50,000,000, or \$250,000,000, is no longer to be wasted in the purchase of labor, when as good, or better, will be obtained without purchase; yet the capital must be employed, and will seek investment. For some years very little will be needed in opening fresh lands, of which there is already too much open for the labor applicable to it. After meeting the demands of agriculture it will seek other profitable uses, as in banking, railroads, manufactures, machine-shops, and the other active employments which capital finds for itself. Prominent among the improvements, that of reconstructing the levees and reclaiming the most fertile of cotton and cane lands should be one of the first, and, rightly conducted, one of the most profitable for the employment of money.

OPPORTUNITY FOR COTTON SPINNING.

Proximity to cotton fields abundance of water power and of building materials in healthy localities, as well as of fuel, both wood and coal, and cheap labor, not suitable for the field, begging employment, all indicate the advantages and certainty of rapidly extending works for the manufacture of cotton in the cotton-growing States, especially for the spinning and export of coarse yarns.

WANT OF LABORERS.

Now that capital is returning into the cotton States, the great want there will be labor, a better use of what they have and more of it, to extend their profitable agricultural business, yet carry forward the other works which will be required. So far, the prevailing conditions in the South have not been attractive to immigrants. Poor crops, dear food, destitution of the common laborer, and these evils too often aggravated by disorder and violence, were reported during the years 1866 and 1867.

The prosperity of 1868 stands in marked contrast to the adversities

of the two years preceeding. A similar prosperity repeated in succeeding years untill it shall be regarded as the rule and not the exception, supported by assurance of peace and safety, will turn the tide of emigration freely from the northern States and from Europe to the cotton-growing States. During the present year the Pacific railroad has been completed and opened, a highway by which the Chinese and other coolies or Asiatic laborers may reach the cotton fields of the United States. They are industrious, frugal, quiet, and numerous.

The people of the South, who are to be the immediate beneficiaries of rapidly increasing wealth, will become large consumers of the production of other States and other countries, and in that capacity will contribute scarcely less than as producers to the general welfare, the extension of trade and the payment of the national debt.

LARGE PLANTATIONS MUST GIVE PLACE TO SMALL COTTON FARMS.

It seems to be conceded in the South that the large plantation system must generally be abandoned, in the culture of cotton, for small holdings of land more thoroughly worked under the direction of the proprietors. This will favor a more general industry, more numerous proprietary interests requiring personal care, better economies, and a constantly improving agriculture, which will preserve the fresh lands in good fertility and restore those which have been over-cropped.

In cotton growing as in market gardening, or in any other tillage of the soil, it pays better to keep a small body of land (just enough for a full and fair use of the labor that can be applied to it) under high culture by thorough working and the use of fertilizers, than to half cultivate a larger area with the same or any inadequate force.

Since the war, experiments made to ascertain how much cotton can be produced upon a single acre, have exhibited remarkable and gratifying results. When made with "spade culture" stirring the soil deeply and often, after enriching it with guano and phosphates, the product has been very large. In one case, reported upon what seems to be good authority, the product of one acre was *four bales*, or over 1,600 pounds of clean cotton. In past times one bale to the acre has been regarded as a fair crop, and two bales a very large one on the very richest lands, while half a bale, or about 250 pounds, was for many years a satisfactory result in Georgia and the Carolinas, where the lands were badly worn. The story of 1,600 pounds seems almost incredible,* yet it is no more in excess of ordinary products than were some remarkable root crops,—rutabagas and mangle wurtzels—that have been obtained by the same process of

* "Mr. D—— has eyes to observe, and reports exactly what he sees. He tells me that he knows several instances where double the usual crops have been made on small patches, and one case where a man raised four bales of cotton on one acre of ground, the whole acre cultivated by hand, no mule needed, nor ass either."—*Extract from Letter.*

spade culture. Improvement by better farming, to get more cotton from less land, is practicable, and should be sought as the method of true economy, saving in labor, in manure, and all other outlay, yet increasing the income.

RESTORATION OF WORN SOILS—MINERAL AND ORGANIC MANURES.

The value of the calcareous and phosphatic marls, found in various parts of the country, for fertilizing and renovating impoverished soils, has long been known. They were freely used in the older portion of the cotton-growing States with beneficial effects. During the few years prior to 1861 some importations were made at the South of various commercial fertilizers, guanos, ground bones, and certain nitrates, phosphates, and super phosphates, some very good and some having very little value. The importation and use of these artificial manures had been greatly extended just before the war. The really valuable among them such as the true guanos and superphosphates, had a marked effect in the increase and better quality of the cotton produced, and this was as apparent on the light and much worn lands of the Carolinas and Georgia as upon the heavier and fresher lands further west.

THE SOUTH CAROLINA PHOSPHATES.

Since the war, a discovery of exceeding value to the agriculture of the whole country, and especially to the cotton culture, has been made in the "native bone phosphate," vast beds of which have been found lying all along the coast of South Carolina and on the Sea Islands; but cropping out and most easily accessible along the banks of the Ashley and Cooper rivers. Richer in these phosphates than any other natural deposits yet discovered, these beds lie just beneath the supersoil, at the very doorway into the cotton-growing country. A description of them and of the circumstances leading to their discovery will be found in the Appendix C, in a letter from Dr. N. A. Pratt, whose researches, aided by others, have opened up a treasure whose value cannot now be measured.

This store of phosphates, thus prepared in nature's laboratory and laid up until the day of special need, contains just the chemical properties wanted for the cotton plant, and which the cotton seed had been abstracting from the soil. So long as cotton seed was returned to the soil upon which it was grown the deterioration of the land was slow, for the fibre of cotton took but little from it.* But cotton seed had acquired a commercial

*S. L. Goodale, Esq., Secretary of the Board of Agriculture in Maine, a writer upon agricultural chemistry, writes thus: "I can conceive of no reason why cotton culture should not be less exhaustive than that of any other agricultural crop with which I am acquainted. Look at it; the product desired is merely cellulose or woody fibre. In this form it possesses a market value of, we will say, \$100 per acre, but to return to the soil it is of no more manurial value than so much sawdust or wood in any other form, consequently it may be exported with impunity. Besides this there is a side product of seed which draws heavily upon the soil; but this may be utilized and all of value to the soil be returned to it. The seed may be decorticated, and the oil expressed and sold with no loss of ash constituents from the soil. The cake remaining possesses both feeding and manurial value in a high degree. Ground to meal and fed in connection with corn fodder and annual grasses, (if no more permanent

value for the oil to be expressed from it, and for the rich food for cattle and sheep, which was found in the "cake" from which the oil had been expressed. It could no longer be carted back upon the land as a manure. The land, already worn by many years of improvident cropping, having this further loss, rapidly failed. Some portion of the needed restoring and fertilizing remedies could have been found in the artificial superphosphates and guanos of commerce, but these had become almost inaccessible. Often badly adulterated, and year by year advancing in price as the demand outran the supply of the good articles, while many of the planting people had become unable to buy them, except in very insufficient quantities, there was a great and urgent need of something to replace the cotton seed, and restore to the soil those chief ingredients indispensable to the production of a good cotton crop—phosphoric acid, or soluble phosphates. In this emergency came the discovery of those natural deposits.

Already too much space has been given to the effort to report faithfully the condition of the cotton culture of the United States, at the close of the year 1868; especially to exhibit the wonderful change from its condition one year previous, and from all the circumstances to draw a fair statement of the promise of the future for this great interest.

OTHER IMPROVEMENTS—SELECTIONS OF SEED, ETC.

It might be useful, did space permit, to notice in detail other movements in progress for the improvement of cotton culture, prominent among which would stand the valuable experiments in "improvement by selection of seed" from year to year, always guided by rules which define the object sought—in cotton, spinning qualities, such as length, strength, fineness, and the cohering together of the fibres; rapid growth and early maturity of the plant, and a habit of yielding well. Intelligent men are engaged in these efforts in various parts of the South, and of their results attained there are good reports from Georgia, Mississippi, and Arkansas. One new kind of cotton, the "Peeler," originating in Mississippi, is already in market, and bears a price 25 or 30 per cent higher than any other green seed, cotton of the same grade, because of its superior staple.

grasses can be grown with improved management, it can be converted into meat and manure, and thus fertility be maintained or even increased.

"Phosphoric and alkaline constituents exist in decorticated cotton seed in large proportion. Its ash is abundant, being not less than $7\frac{1}{2}$ or 8 parts in 100, and of this ash 19 per cent is phosphoric acid, chiefly in combination with potash, a little with magnesia, and a very little with lime. Thus a ton of cotton seed cake—that is, of seed with the hulls taken off and the oil pressed out contains about 60 pounds of phosphoric acid, which in a soluble form, as phosphate of potash, and with its combined alkali, cannot be deemed worth less than 10 cents per pound—I think it should be rated higher, but say \$6 00

"The same cake contains $6\frac{1}{2}$ per cent of nitrogen, say 130 pounds to the ton, and this, rating it at what is paid for it in Peruvian guano, say 17 cents per pound, amounts to \$11 10

"So we have as the manurial value of one ton of decorticated cotton seed cake, at least \$17 10

"It is well to bear in mind that the larger part of this (when the cake is fed to stock) would pass away in the liquid excreta, and unless the urine was absorbed or somehow saved, nothing like this value would be realized. In the light of these facts it is easy to see how wide a difference may be occasioned by the loss of the seed on the one hand and its use on the other."

MANUFACTURING AT THE SOUTH.

At the South Carolina State Agricultural Convention, held at Columbia, April 28th and 29th, 1869, Col. J. B. Palmer was requested to give some information to the Convention relative to manufacturing at the South. In response, Col. Palmer read the following very interesting paper, which he had prepared on the subject.

The advantages possessed by the South over the North in manufacturing cotton, may be stated briefly, to be:

1. An abundance of unoccupied water power in every Southern State.

2. A mild climate. Fire, for heating purposes, is only necessary for from one to three months in the year. Resinous heart-pine wood can be procured at very low rates. We pay for such wood delivered within one mile of our factory, only \$1 per cord, and our total expense for fuel for, say two and one-half months in the year, is but one-tenth of one cent per pound, when charged to the manufactures of those months, while in the North it is about one cent per pound on the manufactures of at least five months in the year.

3. Wages are, and must continue to be, comparatively low. The mildness of the climate, the abundance of lumber, and the cheapness of land, enables manufacturers to provide their operatives with inexpensive but comfortable houses and large garden plats. The country being an agricultural one, we must soon be able to produce our provisions, while the manufacturing districts of the North must always depend upon the distant West, and, to some extent, upon the South for theirs.

4. Operatives. Northern men, acting as superintendents of Southern mills, admit the superiority of our factory hands, who are remarkably frugal and industrious, and who are easily controlled.

5. Freights are lower on yarns and cloths than on lint cotton. There has been a time, within the last three years, when a bale of cotton of 450 pounds, worth, say \$90, paid a freight, from Charleston to New York or Philadelphia, of \$2 50 per bale, which would be 2.77 per cent on value; while that cotton, made into a bale of 400 pounds of No 20 yarn, worth, say, \$136, paid only 60 cents per bale, or 44-100 per cent on value—a difference in favor of yarns of $2\frac{1}{2}$ per cent. The Southern manufacturer saves the freight on bagging, rope and other waste. This waste can be manufactured into paper at the South more cheaply than at the North, and is, consequently, more valuable here than there. Reclamation on false packed or damaged cotton is easy and direct, and we save the burdensome Northern charges for storage, brokerage, ect.

I support these positions by the following statement of actual cost of manufacturing at Saluda Cotton Mills, as shown by our books. It must be recollected that we have employed in the manufacture of No 20

yarn only 4,000 spindles (Jenks ring travelers.) Of course, a greater number of spindles, or the production of yarns of a lower number, would ensure a less cost per pound;

Labor—Superintendent .87; carding .56; spinning .76; reeling .75....	2 44 cts.
Repair—Labor and material (machinery nearly new) .....	.22 "
Packing, bundling, &c., labor and materials .....	.55 "
General Expenses—Watch .18; hauling .32; findings .20; oil .15; salaries .64; miscellaneous .56.....	2 00 "
Total per pound	5.24 "
Add—Loss by waste (450 lbs. cotton costing \$90 making but 400 lbs. of yarn)	2 50 "
10 per cent for wear and tear of machinery, charged to production, per pound.....	1.26 "
Total cost of manufacturing cotton, worth 20c. per pound	9.00 "
Freights to New York or Philadelphia .65; insurance .15.....	80 "
Cost cotton per pound	20.00 "
Total cost per pound of Southern yarn (No. 20) delivered in New York..	29.80 "
The <i>very lowest</i> estimates I have seen of the cost of manufacturing at the North places cost of labor, repair, packing, and general expenses at, per pound	10 24 "
Loss by waste (cotton at 20c in Columbia would be 22½c. in New York; 450 lbs. cotton would cost \$101 25, and would make 400 lbs. yarn)..	2 81 "
10 per cent. for wear and tear machinery.....	1 26 "
Total cost of manufacturing in the North.....	14 31 "
Add cost of cotton	22 50 "
Cost of No 20 yarns manufactured at the North.....	36 81 "
Showing a difference in favor of the South of, per pound	7.01 "
Both using the same quality of cotton.	
Deduct commissions, cartage, &c	2 01 "
And we have a net profit to the Southern manufacturer, provided he sells at the cost of Northern productions	5.00 "

A manufacturer of cotton yarns from Manchester, England, after looking at our books, told me that we manufactured cheaper than they did, by about the difference in value of currency and gold. That is to say, that the

Cost of labor, repairs, packing and general expenses was with them, gold.	5.24 cts.
Add for difference in value of gold and currency	1.75 "
And we have in currency	6.99 "
Estimating cotton in Liverpool at 24c. and the waste (450 lbs. cotton, worth \$108, making 400 lbs. yarn, would be.....	3 00 "
	9.99 "
Wear and tear of machinery	1.26 "
	11.25 "
Add cost of cotton	24 00 "
And we have, as cost of No 20 yarn manufactured in England.....	35.25 "
Cost of Southern yarns, as heretofore shown	29.00 cts.
Difference.....	1.50 "
Yarns delivered in England.....	30.50 "
Cost of Southern yarns	4 75 "

But no estimate is made of the brokerage, &c., in Liverpool, or of the freights and charges on the cotton from Liverpool to Manchester. Southern yarns could be shipped to the continent of Europe at about the same rates as to Liverpool, while English yarns would have to pay freight from Manchester to the continent. These additional charges on the cost of English yarns being considered, I think it would be quite fair to infer from the foregoing that we could send our yarns to Europe, and, selling them at the cost of producing English yarns, derive a net profit of at least five cents per pound.

In support of the figures I have given, and the conclusions I have drawn from them, I mention the fact that at no time within the last three years would we have been unable to command from our Northern commission houses (had we chosen to ask for them) advances beyond the total cost of our yarns. Can any Northern or English manufacturer say this?

Estimating the average crop of cotton at 2,500,000, bales of 450 pounds each, and the price here at 20 cents, and we have as the amount received by the South, \$225,000,000. Manufacture this cotton into yarns, and sell at cost of Northern or English production, and we have, after deducting all foreign charges (net price per pound 34 cents), \$340,000,000; and for waste, which would be worth for paper stock, if manufactured at the South, \$2 per bale, \$5,000,000—\$345,000,000; showing a gain to the South of \$120,000,000; and if we estimate for a receipt of say 3 cents per pound over cost of foreign manufacture (and our experience would more than justify it), we have a further gain of \$30,000,000. In all \$150,000,000.

The average production of yarns last year throughout the United States was, per spindle, 62.17 pounds; the average number of yarn manufactured, 27 $\frac{1}{2}$; the total number of spindles was about 6,048,249; of these the Northern States had 5,848,477, and the Southern States only 199,772. The average number of yarn manufactured at the North was 27 $\frac{1}{2}$; production per spindle, 59.57. The average number of yarn manufactured at the South was 12 $\frac{1}{2}$; production per spindle, 140.37.

These figures are based upon the reports made to the National Association of Cotton Manufacturers and Planters. It is probable that many of the smaller mills in the South were not reported. My calculation is based upon an average production per spindle (ring traveler) of 87 pounds, and average number 20. To spin 2,500,000, bales would require 11,494,253 spindles. The calculation will vary, according to kind of spinning done and machines used. 11,494,253 spindles would give employment to 250,000 hands—principally females, from ten years of age up, and small boys. The average wages of operatives (big and

little) in our mill is \$142 82 each per annum, which would give as the gross amount paid for wages per annum, nearly \$36,000,000. And that, too, paid for labor that would nearly all of it not only be otherwise unemployed in adding to the wealth of the country, but be a positive burthen upon the country.

Where weaving is done, the number of operatives and amount of wages paid will of course be much more.

It must not be supposed that, because these figures show that it would require about twice the number of spindles now run in the North to spin up our entire cotton crop at home, that the amount of capital required would be double that invested in cotton manufactures in the North, and therefore beyond our reach; for but a comparatively small amount of Northern capital is invested in spinning. The most of it is in weaving, dyeing, printing, bleaching, &c. Spinning is comparatively simple, and complications commence where saving begins.

It must be evident to every business man, that all our cotton will, sooner or later, be manufactured here, at the place of its production. If done now, by association of planters and other Southern people, additional wealth is secured to ourselves and to our children: if deferred, Northern capital and energy will inevitably occupy the field.

It seems to me entirely practicable for the planters of the cotton-growing districts, all over the South to combine together, in joint stock associations, and erect cotton mills of sufficient capacity to spin up their crops. No doubt, if this suggestion were acted upon at once, and all our cotton made into yarn, and thrown upon the Northern market, the supply would exceed the demand, and loss, at first, would ensue. My proposition is to ship direct to the continent of Europe, as well as to the North. It would take us but little time to drive other yarns from the market. The process of approaching the spinning of our entire crop would be gradual, and would keep pace with the gradual withdrawal of our competitors.

The arguments in favor of spinning will apply with equal force in favor of weaving. I have, however, confined my suggestions and calculations to spinning, because it is more simple, and requires less capital; and is, therefore, more likely to be generally adopted at an early day.

To show the practicability of this plan, I submit an estimate for a cotton mill with 4,080 spindles, ring traveling frames;

Number of square feet of flooring, 10,200; amount of No 20 yarns manufactured for spindle, 87 pounds. Total amount of No 20 yarns manufactured in mill, 354,960 pounds. Cost of first class machinery, with all the latest improvements, viz.: One large cylinder cotton opener, English; one 3 cylinder opener, 1 beater, English; 1 double lap machine; 10 self-stripping 36 inch cards, with 2 R. W. heads, troughs and belts;

2 drawing frames and cans; 1 English slubber, 60 spindles; 2 English jack roving frames, 120 spindles each; 20 ring traveler spinning frames 204 spindles each; 14 reels, traverse grinder, slide rest, card clothing, governor, turbine wheel, cotton scales, bundle and bale presses, shafting, belting, bobbins, transportation, putting up machinery, findings to commence with, &c., &c., \$43,000; building, including houses for operatives (estimated by an experienced contractor,) \$7,000; total, \$50,000. Such a mill will give employment to 87 operatives, and will consume 887 bales cotton, weighing 450 pounds each. Estimated net profits on productions, if sold at cost of Northern production, \$17,748. No estimate is made of the cost of water power, as that would depend upon location, size and nature of stream.

Finally, with great diffidence, but with equal earnestness, I urge upon the Convention, and upon the Southern people generally, careful consideration of the facts and figures submitted; and close with the suggestion, that houses of correction for juvenile delinquents, who abound in our midst, and penitentiaries for females be established, and that their inmates, as well as those of orphan asylums, be employed in cotton manufacturing. I may state that, by the wise forethought of the projectors of our State Penitentiary, this was, though to a limited extent, provided for, and I believe I am correct in saying that the convicts now manufacture nearly, if not all their clothing and bedding.

THE RECENT BREADSTUFFS MOVEMENT.

Our readers will remember that, last fall, we expressed the opinion that a very heavy surplus of grain remained in the hands of Western farmers which they would have to realise upon, before next harvest, at lower prices than were then current. Upon this view, we urged the expediency of forwarding grain before the close of navigation, as best for the farmer and the country at large. The event has turned out as we anticipated, and proved the wisdom of our advice.

The abundant harvest of last year is succeeded by the prospect of another year of abundance, not only in the United States, but in many other grain-growing countries; and the farmers, under the prospect of this new supply, and fearing that the value of their grain may further depreciate, are pressing it forward to market. The amount of this surplus may be judged from the volume of the receipts at the Western grain centres. The following figures show the arrivals of flour, wheat, corn and oats, at the ports of Chicago, Milwaukee, Cleveland, Toledo and

Detroit, from May 1 to June 12, for this and the two next preceding years :

	1869.	1868.	1867.
Flour, bbls.....	642,826	415,064	277,728
Wheat, bush.....	6,043,001	3,241,429	1,469,755
Corn, bush.....	4,167,979	3,578,918	5,021,841
Oats, bush.....	2,089,586	1,904,830	1,646,551
Total, bush.....	12,301,166	9,020,177	8,137,647

We thus find that the receipts of flour, at the Lake ports, for the week ending June 12, have been 227,762 bbls in excess of the same period of last year, and 365,038 bbls more than in 1867. The aggregate receipts of wheat, corn and oats, for the same weeks, were 3,280,989 bushels over those of 1868, and 4,163,519 more than in 1867. Since the prospects of the new crop became more apparent, the receipts have been especially heavy, those for the first two weeks of June being very close upon the arrivals of September last, when the forwarding movement was at its height. The arrivals of wheat and flour, at the five principal lake ports, for the four weeks ending June 19th, reducing the flour to wheat, were equal to nearly eight millions bushels of wheat. The following is a statement of the receipts at those points for the weeks named :

	1868.	1869.
Flour, barrels.....	230,758	458,208
Wheat, bushels.....	1,693,937	5,664,910

The *Buffalo Commercial Advertiser* gives the following estimate of the quantity of wheat afloat and in store at the close of last week :

	Bushels.
In store at Chicago and Milwaukee 21st.....	1,300,000
Afloat on Lakes for Buffalo and Oswego 21st.....	1,034,000
Afloat on Canal, destined for tide-water.....	1,800,000
In store in New York 21st.....	523,836
Total.....	5,552,636

not including stocks at Buffalo and Oswego.

The amount afloat on lakes and canals is about 2,800,000 bushels, mainly destined for the Hudson.

The natural effect of this movement would have been to further depress the prices of breadstuffs had it not been for the less favorable accounts with regard to the wheat plant which have lately been received from England and France. These reports, together with the small stocks now held in those countries, their light imports and the low prices current have within the past two weeks resulted in considerable activity in breadstuffs, with an upward movement both here and at Liverpool. This is furnishing a very convenient and satisfactory outlet for our present surplus. The immediate effect of this enlarged movement at the West and towards the East is quite apparent in its influence upon our money market; though perhaps not observed to the extent it really deserves. The Western banks, especially those of Chicago, have withdrawn large

amounts of currency from the banks of this city, the amount received there from the East, during June, being, according to the *Chicago Tribune*, \$6,000,000; and this depletion, occurring concurrently with a demand for moving the wool crop, with large withdrawals into the Treasury, and upon an unusually low condition of the legal tender resources of the banks, has contributed, in no small degree, to the extreme stringency in money which has recently prevailed.

The railroads have received their share of benefit from this movement. As appeared from our last issue, the gross earnings of thirteen principal Western roads, for the month of May, were \$5,528,000, against \$4,973,000 for the same month of last year; showing an increase of \$555,000, or about 12 per cent; and, for the current month, the receipts exhibit a still larger gain. This evidence of an increasing supply of food products is a gratifying indication of our agricultural growth, the main basis of our national prosperity. It is calculated to infuse a healthier feeling into our industries and to promote a sounder condition of general values; while it also affords a hope that we may ere long be able to assume a position of greater importance among the grain-producing countries of the world.

REDEMPTION OF BANK NOTES.

We have often had occasion to defend the National Banking system against the attacks of persons who exaggerated its defects, and overlooked the vast benefits which it has conferred, or is capable of conferring in the financial, industrial and commercial progress of the country. In pleading the cause of the banks, however, we should carefully remember that the system is by no means perfect, and that much remains to be done for its improvement. Of this, we have, during the past month, had a striking proof in the spasms which have invaded the money market, and in the exorbitant rates of interest which have been paid in Wall street. That these troubles are caused, in part, by movements over which the banks can exert little direct control, we freely admit. But still neither the manoeuvres of speculators, the locking up of greenbacks, the absorption of currency in the South, the over-rapid conversion of floating capital into fixed capital, nor the hoarding of money in the Government vaults, would have produced so profound and convulsive a stringency had the banks kept themselves strong, and had our currency been elastic and responsive to the wants of business. It is very evident that the monetary troubles of the past three months have been due to defects in our financial machinery rather than to any lack of capital. Which ever way we look proofs multiply on every side that our people are growing in wealth and in all the chief conditions of material prosperity. What is wanting, however, is

a corresponding elasticity in the financial machinery of the country. Speculators and cliques of capitalists dam up the fertilizing streams of the national wealth and prevent their flowing equally and freely and gently over the whole field of the national industry. We are suffering not because we cannot produce wealth but because our machinery for distributing that wealth is out of order, inelastic, and not sufficiently responsive to the changing pressure upon it and to the varied demands of different seasons of the year.

These facts all point to the currency of the banks as the weakest part of the National system. When the cliques would make trouble in the loan market they always attack the currency and their ingenious devices for locking up currency, and so depleting the current of the active circulation have been often exposed. Why have no such plans ever been set in operation in Paris or in London? The speculators there are as keen, as bold and as shrewd, and wield larger masses of capital. Why do they never resort to the expedient of locking up currency. The reason is obvious. The currency of France and of Great Britain is elastic, and enlarges or contracts with the seasons with the activity of business and with the greater or less demand for money. Our currency, on the contrary, remains rigidly fixed in amount all the year round. It consists first of some four hundred millions of greenbacks and fractional currency, the amount of which was not intended to fluctuate, and secondly of national bank notes, the outstanding amount of which ought to vary from two hundred millions as the minimum, to three hundred millions as the extreme amount authorized by law. The issue of currency is so profitable to the banks that they try to keep afloat all the law allows. If the notes of a bank come back to it they are immediately reissued, and as there is no effective arrangement for redeeming the bank notes, the whole three hundred millions are kept constantly afloat, winter and summer, spring and fall, whether the amount is in excess of the requirements of the country or not.

In no other banking system ever established in Europe or in this country, have private corporations been invested with so much power over the volume of the currency. To say that they should not abuse this power, is nothing to the purpose. The banks are 1,600 independent institutions, spread over the various States, and anxious each to make large profits for its shareholders. The issue of currency is one of the most lucrative parts of the banking business, as it enables the bank to borrow money without interest. While human nature is as it is, every bank will put out and will keep out all the currency it can. And the only way to make sure that the volume of bank notes shall increase when they are needed for business and shall diminish when the want has passed away, is to make it

impossible for the banks to keep out their notes in excess. This is easily to be done. Banking experience has supplied an effective safeguard. It is the safeguard of metropolitan redemption. Let the banks be compelled to redeem their notes at the metropolis, where in time of plethora the notes are sure to accumulate, and we have the best remedy for inelasticity of the currency, which the nature of the case seems to admit.

An unreasonable opposition has been aroused among some of the banks, against any more effective means of redemption than one in use at present. We trust, however, this will pass away. The existing arrangements for redemption are notoriously imperfect and unsatisfactory. This circumstance offers a powerful weapon to the enemies of the banking system, which they are not slow to use. In Congress a large power is known to be arrayed against the banks. Surely it is the part of wisdom for these institutions to correct every abuse, and to strengthen and reform themselves as much as possible. The banks must show to the country that they are not a set of speculative institutions, intent on money-making and greedy of gain, but that they are depositories and trustees of important powers over the currency of the country, and that they do not receive the rich endowments of that trust without doing their best to fulfil its duties. One of the strongest arguments against the banks would be deprived of its force and one of the most threatening dangers which await them in Congress would be removed, if they would voluntarily combine together this summer and organize some effective scheme for central redemption. It is a matter for regret that the recent convention in this city did not give more attention to a reform which is infinitely more for the true interests of the banks than almost any other topic, which was prominently discussed.

A PART OF THE GREAT NORTHWEST.

There is a portion of this country which promises in a few years to yield to none other, in population, wealth and production. It is a region, however, now comparatively unknown, of vast extent, of healthful climate and of large resources. It has for its streams the upper waters of the Mississippi, those of the Red River of the North, of the Assinneboine and of the Saskatchewan. It touches the shores of Lake Winnipeg; extends far westward along the borders of the United States and of the New Dominion to and beyond the Rocky Mountains. It has Lake Superior for its Eastern limit. The State of Minnesota, part of Wisconsin, part of Dacotah and a broad section of the New Dominion lie within this region. At first thought one would say that this section was far to the

northward, but a glance at the map shows that while St. Paul is in the latitude of Venice, the Northern shore of Lake Superior is in the latitude of Paris, 200 miles further south than London and 700 miles further south than St. Petersburg. The summer isothermal line of 70 degrees, which passes through the wheat-growing regions of Russia and through Southern France, strikes this continent on Long Island, bends down into Pennsylvania, skirts the northern limits of Ohio and Indiana, passes from the foot of Lake Michigan to the Mississippi just north of St. Paul, and then sweeps up to latitude 52 three and a half degrees north of Paris. Some of our school misconceptions of geography are corrected by the practical knowledge we acquire in this day of enterprise and action. It is under and around this isothermal line that the richest wheat-growing regions of the United States lie, and it is near this line that the remarkable development of the last few years has been made. For instance, in 1857 Minnesota did not raise breadstuffs sufficient for her own consumption. Ten years after her export of wheat was 10,000,000 of bushels and her production was 14,000,000 bushels. In 1854 she had only 15,000 acres of land under cultivation. Ten years later it was over 1,000,000. In 1860 her population was 172,000. In 1865 it was 254,000. It is estimated now at 450,000. In 1860, Hon. Wm. H. Seward, standing in St. Paul, the centre of this great "continental wheat garden," speaking of the broad belt extending from Lake Superior to the Pacific remarked, "Here is the place, the central place, where the agriculture of the richest regions of North America must pour out its tributes to the whole world."

The transportation facilities of this region are mostly as yet only "projected." There is first of all, however, the Mississippi river, which offers such cheap carriage to the sea. This route may, we think, be regarded as "finished." The agricultural wealth of Minnesota was one of the chief inducements for St. Louis to engage in the present system of grain carriage to New Orleans. Its effort was to secure a share of that traffic which by several lines of railroad passed across the States of Wisconsin and Illinois, and so sought an Eastern market, by way of the Lakes. But Minnesota has designs of its own, and hopes to do its own business. It has under way a railroad from St. Paul to Du Luth, the head of Lake Superior. This road will be 150 miles in length. A portion of it is done and the rest will be completed during the present year, placing Minnesota several hundred miles nearer tide water than it is now, for the western end of Lake Superior is 240 miles west of Chicago, and the distance of the centre of Minnesota production is much nearer Lake Superior than Lake Michigan. The navigation of the two lakes is practically limited to the same season, for one depends upon

the departure of the ice from the St. Marie, and the other upon the freedom of the Straits of Mackinaw. To New York the distance from the head of Lake Superior is just about the same as from the head of Lake Michigan. The Northern Pacific Railroad is another improvement, upon which work is beginning. But this is too indefinite yet to require further remark. Railroads, east and west lines, are started in the first, second, fourth and fifth tiers of counties in Minnesota, counting from the lower line of the State. St. Paul is a railroad centre, and from it diverge nine or ten roads, all of which are designed to feed the new road to Lake Superior. There is a road started to Pembina, of which 81 miles are completed. Another is from St. Paul to the head of Red River navigation, of which 60 miles are done and 100 more are contracted for by the first snow fall. Another runs towards Sioux City, and 90 miles are done. At Sioux City it will meet a branch of the Union Pacific road and contend for the traffic of that route. Another runs down the river to Hastings, and has Chicago for its objective; of this 20 miles are done. Another road towards Chicago has 50 miles completed. We omit mention of some minor routes and projections.

The question naturally arises how is the labor procured for all these enterprises? The regular emigrants to Minnesota and other Western States are farmers, agricultural laborers and artisans. They are not "navvies." So laborers for the railroads are sought abroad. They bring them over by the ship load, and set them to work on the railroads. They settle on the line, and so, when the road is done, it has a population to support it. The Minnesota State agent has been to Sweden for his emigrants, before whom he laid the wonders of climate, production, free homesteads, &c. He brought 900 over with him a few days since, and he promises that 75,000 Scandinavians will come over during the present year. So the State grows and develops. So civilization makes its powerful conquests of new regions. So the material prosperity of the whole country is increased and the national life derives fresh strength. The remote is brought near, the savage is tamed, and the kindly fruits of the earth are produced in greater and greater abundance. This little sketch of what one State is doing is but the repetition of what others have already done, and the prelude to even greater enterprises.

THE WESTERN GRANARY AND ITS OUTLET.

It is within the memory of many men now living that the centre of the wheat production of the United States was east of Lake Erie. In the earlier part of this century the counties on the Hudson River and along the Mohawk were large producers of wheat. Then the Genesee

Valley came into notice, and for many years was the granary of the East. The wheat and flour of this valley have not yet lost their celebrity, despite the competition of Ohio, St. Louis and California. For many years the insect destroyed the crop there, but its productiveness has been now partially restored, and at no time was there a complete failure. "Extra Genesee," though often merely a name, was still a brand in the market through all vicissitudes. The Erie Canal opened the way to the West and made the farther shores of the great lakes as accessible to market as Western New York had been. So the wheat-growing moved westward to Ohio, Michigan, Indiana and Illinois. Another impulse was needed. Railroads were built from the Lakes to the Mississippi, from the Mississippi to the Missouri and farther West, and again the "granary" receded to the Westward, until to-day it is found beyond the Mississippi; and Iowa, Minnesota and California are, in proportion to population and in the yield to the acre, the greatest wheat-growing States of the Union. In 1848 and in 1859 the wheat product of several States was as follows :

	1848.	1859.
Pennsylvania.....bush	15,867,691	15,642,753
Ohio.....	14,487,351	15,196,677
New York.....	13,121,493	8,651,153
Illinois.....	9,414,573	21,877,371
Indiana.....	6,214,458	16,477,377
Michigan.....	4,925,859	8,325,357

Such were the figures for 1848 and 1859. But in 1866 a further change took place. For instance, Wisconsin, which reports 4,000,000 bushels in 1848 and 15,600,000 in 1859, reports in 1866 20,367,920 bushels, at a valuation of \$33,914,226—a five-fold increase in crop in 18 years and a nine-fold increase in value. Other States named above present the following aggregates :

	1866.	Value.
Pennsylvania.....bush.	10,519,660	\$25,077,592
Ohio.....	10,208,854	25,728,212
New York.....	12,528,406	33,523,755
Illinois.....	28,551,491	56,168,247
Indiana.....	9,114,563	21,467,724
Michigan.....	14,740,629	37,538,650

Pennsylvania, in the interval from 1859 to 1866, fell off; New York, recovering from the devastations of the weevil, gained; Ohio fell off largely, considering her increase in population; Indiana also produced less, while Illinois and Michigan increased. Iowa now enters the lists with a production of 8,000,000 bushels; California shows a production in 1866 of 14,000,000 bushels, having a currency value of some \$20,000,000; Minnesota, which in 1857 imported breadstuffs, had 10,000,000 bushels for export ten years later and kept 4,000,000 for home consumption. Twenty years ago the wheat product of New York and Pennsylvania was four or five bushels per head to the population; now it is but

two or three. Of course these States and their Eastern neighbors look to these great Western granaries for supplies; and their confidence will not be misplaced. Directly west of Iowa and Missouri, and within the limits of Kansas and Nebraska, the wheat region virtually ends; but it will expand into immense dimensions on the vast areas of the Northwest. There will be a granary never to be drawn down.

There is a lesson of importance to be derived from this statement we have given. These wheat areas of the East, and in this term we include all the regions east of the Mississippi, are by no means exhausted. They need but culture to reach the highest promise they ever gave. The wheat crop of New York fell from 13 millions in 1848 to 8 millions in 1859, and rose then to 12 millions in 1866. The prime cause of this was the renewal of wheat culture after years and years of disease. The farmers could not contend with the insect and they yielded. The insect disappeared, and again the fields returned productive crops. If land is higher in price in these Eastern States, the farmers are nearer a market and they can compete, to a certain extent, with the West. In Ohio, Michigan, Indiana and Illinois, there has been a falling off in the average yield per acre, showing a careless cultivation, for these wild lands are yet unexhausted.

An examination of the breadstuffs trade of Chicago for a series of years, also indicates the growth of the West and the tendency of the centre of cereal production in that direction. In 1854 the receipts of flour at Chicago were 234,575 bbls., in 1868 they were 2,276,335 (a tenfold increase) and Chicago which, in 1860, manufactured but 282,000 bbls. manufactured last year 747,932. In 1854 the receipts of wheat were 3 millions of bushels, and in 1868 they were 15 millions. Corn grew from 7 millions in 1854 to 25 millions in 1868. Chicago shipped last year 24,800,000 bushels of wheat and flour reduced to wheat. The five lake ports together sent out 53,000,000 bushels, and it is estimated that 18,000,000 of bushels went on the railroads.

The promise of an increased crop this present year is very good. Illinois has recently suffered so severely from the rains that the corn crop is considered to be in danger, all other sections of the country report good progress and warrant the belief that the avenues of transportation will be crowded with the products of Agriculture. For the great granary beyond the Mississippi, of which we have spoken, the competition of transporting interests is lively. St. Louis has an agent in New York to engage a steamship to proceed to that city and bring a crop of grain directly to this port; Iowa and Minnesota are pushing railroads into the interior; Chicago reduces her charge for handling and storing grain. Freights by rail on competing roads go down and

the great battle between the rail and the water route assumes new and more interesting proportions. Some of the experiments induced by this rivalry between different routes are on an extensive scale. This steamship from New York to St. Louis and return, involves a long voyage. It is 3,000 miles of water against 1,000 by land. It is an ocean voyage, a gulf passage and a long and sinuous river with all its opposing currents and unknown obstructions. It passes by the Mississippi cities, whose hopes have been of "Direct Trade" with Europe, and it has for its St. Louis guarantors the enterprise, and capital and pluck of a strong and vigorous city. As one attempt to solve this problem of transportation it is interesting to all observers. The world at large which takes many million bushels of wheat, corn and flour from the United States, and the army of consumers in the non-producing States no less than producers are all directly interested, for to them it is a question of cheaper food.

TOLEDO, WABASH AND WESTERN RAILWAY.

Among western railways this line occupies a route which for directness between the Pacific and Atlantic coasts is not surpassed. This assertion applies to its present physical relations. When the Pike County Railroad, extending from Naples to Douglasville (opposite Hannibal, Mo.), now in process of construction, shall have been completed, the east and west line will have been materially improved both as to distance and general directness, insuring additional economical means of transacting the ever increasing business which the progress of events has brought within the company's grasp. The section of the line to be thrown out of use by this improvement as a through route (say between Van Gundy's and Palmyra) will be utilized as a local carrier for a rich and prosperous stretch of country. A further improvement of the direct westward line will be made by cutting off the triangle which, with Palmyra as its apex, has Hannibal as its latitudinal basis. In former times the constituents from which the whole route was formed were notoriously unproductive and expensive, but the vast development of the country through which the aggregate line passes, and the improved connections east and west already established or projected, together with the Union Pacific road now completed, have given to this line an increased importance which a very short period will more clearly develop. These facts, results and anticipations are in marked contrast with the troubles and disabilities through which the several roads comprising the company's present lines have been forced to pass. Even the titles of the bond issues, now part of the company's funded debt, speak of frequent disasters and

reorganization after reorganization in each of the principal roads, until common sense and experience brought the whole line occupied by the existing corporation under a single efficient and co-operative organization.

We have not space to recount the early history of the line. The Sangamon and Morgan Company began their experience the earliest—say some third of a century ago, and were succeeded by the Great Western Company, which built on the east and the west of the original route, so as to complete a line from the Indiana border to Meredosia, with a branch to Naples—both on the Illinois River. This company failing, was succeeded by the Great Western Company of 1859. The roads in Indiana and Ohio were built by separate companies, which under several titles, (now consolidated, again separate, and then again united,) had a very precarious existence. Then came the consolidation of July 1, 1865, which included two other lines and gave the original roads connection with Quincy and Warsaw, both on the Mississippi, and with the great lines of Missouri and Iowa. At the time of consolidation the lines were as follows :

	Miles.
Toledo and Wabash Railroad (Toledo, O., to the Indiana Line).....	242.4
Great Western Railroad of 1859 (Indiana Line to Meredosia, &c.)	182.4
Quincy and Toledo Railroad (Meredosia to Camp Point).....	84.0
Illinois and Southern Iowa Railroad (Clayton to Warsaw).....	41.2
Total consolidated line.....	500.0

About 22 miles of the Chicago, Burlington and Quincy Railroad (leased) complete the company's operative lines, making the whole length of line operated 522 miles. Of this length of road 75.5 miles are in Ohio and 166.9 in Indiana, the remainder of the total length being in Illinois. The road is now ironed with rail averaging 60 pounds to the yard. The guage of the track is 4 feet 8½ inches. The report does not state the length of second track, sidings, &c.

The amount of motive power and rolling stock operating on the roads of the company at the close of each of the three years 1866, 1867 and 1868, inclusive, was as follows :

	1866.	1867.	1868.
Locomotive engines.....	102	105	105
Passenger and smoking cars.....	47	49	52
Mail and baggage cars.....	27	24	29
Box freight cars.....	1,040	1,173	1,077
Live-stock cars.....	275	405	404
Platform cars.....	200	243	213
Coal cars.....	150	154	148
Caboose cars.....	....	45	44
Cumulating cars.....	....	30	80

Of the engines 47 are coal and 58 wood consumers. There are 104 stations on the roads and 11 engine houses. Upwards of 100 new cars were built in the company's shops in 1868, and nearly 400 cars were entirely rebuilt or received general repairs.

The results of operations in the same years and since the consolidation are shown in the following table:

	1865 (6 mos.).	1866.	1867.	1868.
Passenger earnings.....	\$896,962 08	\$1,322,846 73	\$1,213,525 42	\$1,224,661 51
Passengers carried.....	366 525	624,378	534,355	.....
Freight earnings.....	\$1,020,258 88	\$2,205,427 85	\$2,264,225 40	\$2,542,742 91
Mail earnings.....	26,000 00	52,000 00	52,000 00	70,472 49
Express earnings.....	49,042 10	98,345 17	148,855 52	89,123 97
Miscellaneous earnings.....	40,846 59	84,766 92	51,917 23	86 297 10
Gross earnings.....	\$2,083,109 15	\$3,717,886 22	\$3,509,353 56	\$4,013,207 92

From which deduct expenditures :

Renewal of iron and superstructures.....	\$109,017 30	\$241,051 79	\$264,912 93	\$287,064 04
Maintenance of way and structures.....	888,024 16	624,066 25	673,491 20	624,279 41
Maintenance of cars, engines, &c.....	276,637 12	156,605 78	449,469 34	489,229 68
Transportation expenses.....	763,558 93	1,289,462 63	1,439,008 65	1,489,536 63
Total operat'g expenses.....	\$1,487,438 26	\$2,811,166 50	\$2,787,882 32	\$2,889,619 75
Nett income.....	\$545,670 89	\$906,199 72	\$1,022,471 26	\$1,123,588 19
Nett earnings, per cent.....	26.84	24.39	26.97	28.00

In the following statement are shown the general financial transactions of the company as exhibited on the income account since the consolidation of July 1, 1865 :

	1865-66.	1867.	1868.
Nett earnings ..	\$1,451,870 61	\$1,022,471 26	\$1,123,588 19
Supplies from old companies.....	102,543 64	.....	.....
Machinery and tools sold.....	.....	1,840 00	.....
Sinking fund bonds sold.....	1,000,000 00	.....	.....
Consolidated mortgage bonds sold.....	.....	1,410,000 00	615,340 00
Ill. and South. Iowa R.R. Road.....	.....	22,100 00	.....
Balance from year to year.....	.....	273,599 00	491,512 84
Total ..	\$2,554,419 25	\$2,730,010 26	\$2,230,121 01

Against which amounts are charged as follows :

Construction, &c.....	\$603,974 00	\$143,536 58	\$303,431 71
Interest account	1,323,180 37	1,039 161 83	1,226,621 33
Discount and exchange.....	21,841 23	12,840 82	.....
Toledo and Wabash R.R. Company.....	17,106 63	1,454 98	.....
Ill. and South. Iowa R.R. Company.....	129,807 97	.....	.....
New York office.....	.....	20,543 28	.....
Sinking fund bonds taken up.....	.....	731,000 00	269 000 00
Balance from year to year.....	273,599 00	491,512 82	430,996 77

The financial status of the company at the close of 1866, '67 and '68, respectively, is shown in the Treasurer's general balance sheet, as follows:

	1866.	1867.	1868.
Balance of income account..	\$273,699 00	\$491,512 82	\$430,996 77
General stock, 57,000 shares	5,700,000 00	5,700,000 00	5,700,000 00
Preferred stock, 10,000 shares.....	1,000,000 00	1,000,000 00	1,000,000 00
Funded debt.....	14,343,000 00	15,494,000 00	16,000,000 00
Coupons due and unpaid....	42,244 75	53,256 00	127,512 50
Overdraft.....	71,790 53	.....	.....
Equalization account.....	665,726 19	.....	.....
Bills payable	15,500 00	15,420 00	1,300 00
Total.....	\$22,113,900 47	\$22,754,182 62	\$23,259,517 27

Per contra : the following charges, viz. :

Road and equipment	\$19,850,000 00	\$20,999,000 00	\$21,531,000 00
Trustees.....	1,195,000 00	1,195,000 00	1,195,000 00
Materials and fuel.....	303,014 07	263,757 88	237,263 65
Sundry accounts.....	15,550 48	103,678 28	131,243 10
Equalization account.....	700,800 27	31,674 06	34,574 08
Cash.....	.....	157,171 98	113,077 43
Total.....	\$22,113,900 47	\$22,754,182 62	\$23,259,517 27

The funded debt of the company, as it stood on the books at the close of the fiscal year 1868, is described in the following statement :

Classes of bonds	Interest		Principal	
	Rate	Payable.	Amount	Due.
1st mort., Tol. & Ill. RR (75.5 m.) ..	7	F. & A.	\$900,000	1890
" L. Erie, Wa. & St. L. RR (166 9 m).....	7	F. & A.	2,500,000	1890
" Gt. West'n RR, east of Decatur.	10	F. & O.	1,000,000	1878
" Gt. West'n RR, west of Decatur.....	7	F. & A.	45,000	1878
" Gt. West'n RR of 1859 (182.4 m.).....	7	F. & A.	1,455,000	1888
" Quincy & Tol. RR (34 m.).....	7	M. & N.	500,000	1890
" Ill. & So. Iowa RR (41.2 m.).....	7	F. & A.	800,000	1882
2d mort., Tol. & Wab. RR. (75½ m.).....	7	M. & N.	1,000,000	1878
" Wabash & Western RR (166 9 m)....	7	M. & N.	1,500,000	1871
" Gt. West'n RR of 1859 (182.4 m.).....	7	M. & N.	2,500,000	1893
Equipment, Toledo & Wabash RR	7	M. & N.	600,000	1873
Sdg Fund, Tol., W. & West'n RR (500 m.).....	7	A. & O.	(called in)	1871
Consols, Tol., W. & West'n RR (500 m.).....	7	Quart'ly	2,700,000	1907

All of these issues are payable principal and interest in New York at the dates above named. The interest on the new consolidated bonds is payable February, May, August and November.

Four years have nearly passed since the consolidation, during which the monthly range of the prices of the company's stocks at the New York Stock Exchange has been as follows :

RANGE OF THE GENERAL STOCK.

	1865-66.	1866-67.	1867-68.	1868-69.
July.....	@.....	86½ @40	46½ @53½	46½ @54½
August.....	@.....	89 @17½	48½ @51	49 @53½
September.....	40 @10	43½ @46½	89 @49	53½ @64
October.....	43 @13	44 @54½	89 @44½	58½ @67
November.....	89 @55	40 @53½	88 @39½	54 @62
December.....	40½ @13	41 @15½	48½ @13	58½ @59
January.....	42 @42	89 @45½	42½ @17	59½ @67
February.....	81 @40	88 @42	45 @47½	63½ @68
March.....	81½ @33	84 @39	46½ @55½	65½ @68
April.....	83 @39	75 @39½	48 @52	6½ @73½
May.....	84 @39	88 @48	49 @52	72 @78½
June.....	86 @38	41½ @17½	46 @51½	71 @76½
Year.....	81 @55	84 @55½	88½ @55½	48½ @78½

RANGE OF THE PREFERRED STOCK.

	1865-66.	1866-67.	1867-68.	1868-69.
July.....	@.....	61 @61	69½ @72½	69 @78½
August.....	@.....	67½ @70	70½ @71	71 @78
September.....	60 @64	70 @73½	69 @69	73½ @78
October.....	64 @65	72½ @75½	62½ @68	73½ @78
November.....	68 @68	72 @73½	62 @52½	70 @78½
December.....	@.....	@.....	61½ @51½	70 @70½
January.....	@.....	@.....	64 @67	73 @76
February.....	@.....	66 @66	68 @74½	77 @77½
March.....	@.....	59 @65	70 @74	78 @79
April.....	68 @68	61½ @65	70½ @72	77½ @80
May.....	@.....	62 @67	69 @69	79 @82½
June.....	@.....	63½ @70	69 @69	82 @82
Year.....	60 @68	59 @75½	61½ @74	74 @82½

We have made this analysis more extensive than ordinary, for the reason that "Poor's Manual" does not include the report for 1868, although we find that it was waited for as long as possible. A partial return obtained from the company is all that is given in the work referred to.

ON THE AGRICULTURAL STATISTICS OF THE UNITED KINGDOM (SECOND PAPER.*)

BY JAMES CAIRD, ESQ.

(Read before the Statistical Society of London).

Having been invited by the Council to continue the subject of the Agricultural Statistics of the United Kingdom, on which I read a paper in March last year, I propose first to consider the result of the estimates then offered of the previous crop, the probable yield of the last crop (1868), and the great public advantage which followed the early announcement contained in the summary of the returns.

I.—*Estimate and Result of Crop, 1867.*

It will be remembered that I then offered an estimate of the result of the bad wheat crop of 1867, in which, after making deductions for the diminished consumption likely to be caused by high prices, I computed the foreign supply required within the harvest year at 9,600,000 quarters. The actual receipts have been 9,690,006 quarters, between August, 1867, and August, 1868, the date at which the new crop was ready.

But the harvest was a very early one, and the condition of the corn so good that it was available for immediate use. The harvest year, as generally and properly understood, and within which it is very desirable that the statistical tables should be framed, is from 1st September to 1st September. Between these dates last year the total imports of wheat and flour were 9,293,000 quarters.

On either basis it will appear that my estimate was not very wide of the mark, though it was severely handled at the time, and figures were put forth to show that considerably less than two million quarters was all we could possibly receive between that time and harvest. The price, which had begun to droop, was thus again strengthened and maintained during April, May and part of June, when the final fall began and steadily continued till the beginning of September, by which time the drop from the highest point had reached 20s. a quarter. But in the meantime the pressure on the poor, as was partly shown by the statistics of out-door relief, was unnecessarily prolonged, while it was found that the foreign supply, which had been represented to have been exhausted by the enormous imports of the first six months of the harvest year, continued with very little diminution to its close. Instead of the 1,000,000 or 2,000,000 quarters, which was the utmost we were led to expect from all sources, we actually received 4,500,000 quarters in the second half of the harvest year.

* The first paper was published in the June number of the *MAGAZINE* (vol. 60, page 431).

The economy in the use of bread caused by the high price of last year has proved very close to the estimate I ventured to put forth. It will perhaps be remembered that I assumed every 10 per cent of additional price on the crop would diminish the consumption by 1 per cent; and as bread had risen 50 per cent, I reckoned the saving at 5 per cent, or a little over 1,000,000 quarters on the total consumption. The actual saving is shown by the following figures :

Average annual consumption since 1862, inclusive of seed.....	Quarters.	20,800,000
Seed, 2½ bushels per acre.....	qrs.	1,100,000
Foreign wheat imported.....		9,800,000
Home crop, 9,700,000 quarters of 59 lb. quality, equal to 61 lb quality		9,880,000
		<u>19,780,000</u>
Saving by economy in the use of bread.....		<u>1,020,000</u>

This bears out the opinion of eminent statisticians, that the consumption of bread is very constant; that whatever the price may be, everything must be given up before bread, for the very severe pinch of an increase of price of fully one-half diminished the use of it by only one-twentieth.

II.—*Wheat Crop, 1868.*

The bountiful harvest of 1868, and the splendid condition in which it was saved rendering it fit for immediate consumption, was a great relief to the country after the pinching caused by two bad harvests and diminished trade. If there had been only the greater acreable produce to rely on much would have been gained ; but a great deal more than that was revealed by the publication of a summary of the agricultural returns on 19th September. The beneficent season had added 2,000,000 qrs. to the produce of an average crop, while the increased acreage under wheat swelled that addition by 1,200,000 qrs. more. Nor was this all ; for the fine and heavy sample will improve the yield and quality of the flour by 2 or 3 lbs. a bushel, or equal to one twenty-fifth part of the total produce.

The contrast between the yield of the two last harvests, 1867 and 1868 is shown in a very striking manner when all the figures are placed together.

Years.	Acres under Wheat.	Quality. Weight per bushel.	Total Produce at 48 lbs. per Quarter.
		lbs.	Qrs.
1867	8,640,000	59	9,880,000
'68	8,951,000	63	16,436,000
Increase in 1868.....	..	..	7,056,000

Here is a difference in a single year, exceeding four months, or one-third of the total consumption. The home crop will give us within

5,100 000 qrs. of our average consumption, and if we add to that one month in consequence of the unusually early harvest, and reckon on 13 months' consumption before the next harvest may be available, we shall need 6,800,000 qrs. of foreign wheat and flour. In the six months since 1st September last we have imported about two-thirds of that quantity, so that, even if imports should for the current six months materially decrease, we are likely to receive quite enough to carry us on with moderate prices till next harvest.

III.—*Price and Supply.*

The price is a question of great delicacy, though of first importance. In the course of the year 1868 the highest average Gazette price was in May, 73s 8d, and the lowest in December, 50s 1d; the difference 23s 7d. There is thus a fall of one-third from the highest point, which corresponds in most remarkable exactness with the increased produce of 1868 over 1867. So far as our own crop is concerned, the consumer would thus appear to have got the full benefit of the good wheat harvest.

Till next harvest the price will very much depend on the rate of foreign imports. These come to us not so much in relation to price in this country as to the productiveness of the harvest abroad. A scarcity here and high prices will draw the surplus corn from every quarter of the globe to us, but it will not cease to flow when the source of supply is abundant, however low the price may fall in this country. It is an axiom in political economy that no article can remain long below the cost of production. But that cost is very different in different countries. In this country the cost of producing wheat may be taken at the maximum. In other countries where rent, rates, or wages are greatly lower than ours, and especially where, as in Southern Russia and the valley of the Mississippi, there are likewise boundless tracts of most fertile soil, they can continue to produce wheat at prices which would entail loss on the grower in England. Moreover the vast machinery of production, once set in motion, will maintain its momentum for a considerable period after the stimulus has been withdrawn. Thus in 1860, in consequence of two deficient harvests, the price rose 10s. a quarter, and the imports increased one-third over those of 1859. They continued to swell in volume until 1863, the year of abundance, when the price fell 10s. a quarter. The imports did not then decline in the same proportion; indeed but for the disturbance of the American trade, caused by the war, there would have been no decline, and if we exclude America for that reason, and limit ourselves to Russia and Germany, which between them have furnished us with 40 per cent of our imports since the Crimean war, I find that during 1863, 1864, and 1865, when the average price varied between 40s. and

44s., the imports continued at much the same rate as in the two preceding years, when the price was 55s.

A very productive harvest in France will exercise an immediate influence on prices in this country. Not only does her demand for foreign corn cease, but from the small average yield and the vast acreage under wheat a slight increase in the produce tells quickly up. Last year I computed an increase of one bushel on the acre in France at upwards of 2 000,000 qrs. If her increase has been in anything like the same ratio as ours, France will have a large surplus for export, probably quite enough to meet any decline caused by the deficient crop in Southern Russia.

IV.—*Steady Decline in the Price of Wheat under Free Trade.*

The effect of free trade in corn has been to lower the price of wheat in this country, notwithstanding the increase of the population and consequent increased consumption. The average price of the twenty years preceding 1848 was 57s. 4d., and of the twenty years of free trade, 52s. 3d. But if the disturbing influences of the cessation of supplies from Russia during the Crimean war, and from America during the later years and since the close of the American war, be eliminated, the average price of the last twenty years would have stood 10s. lower than that of the twenty years preceding free trade.

This is a fact of great importance when we come to consider the increasing population of the country, and the means we have of meeting their annually growing demands upon our resources. The popular estimate of the wheat annually consumed by each person of the community in England used to be 8 bushels. In 1850 I ventured to question that opinion. My estimates then showed that it did not probably from our own soil exceed 5 bushels. Mr. Lawes has lately entered on an investigation of this subject, the first part of which he has embodied in a very able paper in the last number of the “Royal Agricultural Society’s Journal.” He divides the last sixteen years into two periods of eight years each, and the results of his estimates are embraced in the following summary :

ESTIMATED CONSUMPTION OF WHEAT PER HEAD PER ANNUM.

During the Last Sixteen Years	England and Wales.	Scotland.	Great Britain.	Ireland.	United Kingdom.
	Bushel.	Bushel.	Bushel.	Bushel.	Bushel.
First eight years.....	5.9	4.2	5.7	2.7	5.1
Second “	6.3	4.2	6.0	3.3	5.5
Average of whole period.	6.1	4.2	5.9	3.0	5.3

Converting these figures into pounds, it appears that during the first eight years each person consumed at the rate of 341 lbs. of wheat, and during the last period 335 lbs. But the proportions in which that was

afforded by foreign supply had also altered from 79 lbs. per head in the first, to 134 lbs. in the second. Here two very important results are shown : first, that the people are able to buy and do consume more bread ; and second, that we must depend wholly on foreign countries for the increased supply necessary to meet the growing consumption.

An immense impetus seems to have been given to consumption by the general increase of wages consequent on the Crimean war and the Indian mutiny, and the great exertions put forth by this country on these occasions. The foreign imports of wheat, which up to 1860 had not exceeded an annual average of 4,500,000 qrs., then rose to 10,000,000, and during the last eight years have maintained an annual average of 8,000,000 qrs.

V.—Increasing Rate of Consumption likely to be Fully Supplied.

But we have not only to provide for an increased consumption by each individual, but for an annual increase of 240,000 in the population. This, at $5\frac{1}{2}$ bushels per head, is 165,000 qrs. In ten years, at the same rate of progress, that will have swollen to nearly 2,000,000 qrs., and in ten years more to 4,000,000. This would indicate the need of a gradual rise in our foreign imports in ten years, from the present average of 8,000,000 qrs. a year to 10,000,000, and in twenty years to 12,000,000 qrs. a year. In one generation more, say thirty years hence, the imports will at this rate be more than the home growth, if that should remain at its present point. Our past experience of the readiness with which the volume of foreign wheat has increased with the demand would lead to the conclusion that we need entertain no apprehension on that score. California promises us next year more than 2,000,000 quarters. France alone, by a slight improvement in her husbandry, only so much as would raise her average yield from 15 to 18 bushels an acre, could meet our requirements. And when we consider the extent of rich countries within the wheat region farther east which are scarcely begun to be tapped by the railway system, we must feel that we are yet far from having reached the limit at which a moderate rate of price will bring us sufficient supplies. *For wheat, which forms the great staple of the food of civilized man outside the tropics, occupies of all cereals the widest region suited to its cultivation.*

The importance of this fact cannot be overrated. If the wheat region had been of small extent the increase of population would have been quickly limited to the food resources of each country. A continued development of mining and manufacturing enterprise in Great Britain would have been impossible. For nothing can be done without bread. Wheat is the common food, the real staff of life. The hard-working poor are far more dependent on and much larger individual consumers of it than the

rich. If its price like that of most other commodities had risen, or was likely to rise, with the increasing demand, no political foresight, no more equable arrangement of the burden of taxation, no reduction even in public expenditure could have long availed us. But the wheat region has been designed apparently to be co extensive with the progress of civilized man, and the more regular and extensive the demands upon it the more ready and continuous becomes the supply.

The natural tendency of the gradually falling price of wheat in this country since 1848, has been to diminish the breadth of our own wheat. And the force of that tendency, in spite of the great increase of gold, shows the steadiness of its operation. There has been a yearly increase of consumers, with an increased power and capacity to obtain bread, an increasing ratio in the supply of gold, the representative of its money value; and yet in spite of all that, the price has declined, and the average breadth of wheat grown in the United Kingdom has diminished. But the figures in the statistical returns show how quickly the price of wheat affects the home supply. The two fine crops of 1863 and 1864 reduced the average price to little more than 40s. But in 1867 the price had risen to 64s., and in one year there was an addition of 300,000 acres to our breadth of wheat.

I have already in a previous paper shown that the rate of increased productiveness of the land under wheat is very slow. From that source, therefore, there is little hope of any material increase in our home produce, in the face of larger foreign supplies at low prices. When the price of wheat falls below 50s., the farmer begins to turn his attention to other crops. The value of barley has been rising in nearly the same proportion as that of wheat has declined in recent years, and oats have also fully maintained their price. While the farmer in these, and in the increasing value of his live stock and its produce, will be able to compensate himself against the steady decline in the value of wheat, the people, that vast and increasing body of consumers, have the prospect of abundant supplies of bread at a moderate price, from the yearly extension of the means of foreign transport.

VI.—*General Results.*

Having thus endeavored to discuss the main question answered by the agricultural returns, viz., in how far the home crop is available for the national supply of bread, I proceed to extract from the returns certain other points affecting our food and clothing. Beyond a slight increase in the breadth of potatoes, and a nearly similar decrease in barley, and the large increase of wheat already referred to, there has been no material change in the general crops of the country during the last two years.

The table showing the percentage proportions of corn and green crop in each division of the United Kingdom is very interesting. In round numbers it appears that England supplies nine-tenths of all the home-grown wheat, Scotland and Ireland together only one-tenth. And the increased breadth, sown under the stimulus of the high prices of the past year in England, is equal to the whole acreage under wheat in Ireland. England produces more than three fourths of all the barley grown in the British Islands, nearly all the beans and peas, and one-third of the oats. Ireland grows one-half more oats than Scotland, and two-thirds of the entire potato crop of the United Kingdom. The three kingdoms, as compared with France and Prussia, grew the following proportions of acres of corn to their respective populations :

England	1 acre for every	2½ persons.
Scotland	1 "	2½ persons.
Ireland	1 "	2½ persons.
France	1 "	1 person.
Prussia	1 "	1 person.

And of potatoes—

England	1 acre for every	62 persons.
Scotland	1 "	20 persons.
France	1 "	12 persons.
Ireland	1 "	5 persons.
Prussia	1 "	5 persons.

With regard to live stock, these countries stand in the following proportions :

Cattle.				Sheep.			
England	1 for every	5 persons ;	1 for every	1 of population			
Scotland	1 "	3 "	2 "	1 "			
Ireland	1 "	1½ "	1 "	1 "			
France	1 "	2½ "	1 "	1 "			
Prussia	1 "	3 "	1 "	1 "			

Of all these countries Ireland has thus the largest proportion of cattle, and Scotland the largest of sheep.

VII.—*Increase of Cattle and Sheep.*

The entire loss sustained by the cattle plague up to October, 1867, when it had quite ceased, was 190,000 head. The natural increase in the two years since the disease began to decline exceeds 500,000, so that the effects of that calamity, so far as the national supply of food is concerned, have been fully recovered. The increase of sheep has been very rapid, the joint effect of high price of mutton, and the panic which in some counties followed the cattle plague, and led to a substitution of sheep. The total increase of the year has been 1,790,000. The sheep stock of the United Kingdom is upwards of 35,000,000, which is almost the same in number as that of the Australian Colonies and Tasmania, according to the latest returns. The total number of sheep in the United Kingdom

and the whole of the British Colonies, independent of India, cannot now be much under 100,000,000. The import of continental wool is on the decline, while that of colonial is largely increasing. At the late rate of progress, our vast woollen industry in this country will ere long be sufficiently supplied by the home and colonial produce.

Whilst the increase of sheep at home has been rapid and great, there has been a very large decrease in the supply of foreign sheep. These, which in a single year, 1865, had risen from 496,000 to 914,000, began to decline in 1867, and fell back greatly in 1868.

This was caused in some measure by the restrictions imposed on the import of sheep by the Privy Council orders, but was partly also due to the considerable fall in the price of mutton during 1868, arising from the large supply of sheep forced into the home market by the prospect of a dearth in the green crops. But the agricultural returns have revealed to us the gratifying fact, in relation to this important branch of the national food, that there is an immense elasticity in the production and supply of sheep, both at home and abroad, and that may be largely and quickly increased by a moderate rise in price.

VIII.—*Foreign Dairy Produce not Increasing.*

The foreign supply of butter and cheese has continued very steady during the last eight years. It made a sudden rise in 1861, and had nearly doubled itself in 1862; but from that year the average supply has not materially altered. As the prices of these articles are still highly remunerative to the home producer, there is every inducement to him to develop yet further that branch of agricultural industry, on which the small and middle class farmers are chiefly engaged.

IX.—*Large, Compared with Moderate Sized Farms.*

The returns afford some indications of the results of large corn farms as compared with the more mixed husbandry and interests of small or moderate sized farms. I have taken ten of the largest farm counties in England and compared them with ten of the smallest farm counties, the total area in both cases being nearly equal. The general results may be broadly summarised thus: The large farm system embraces nearly twice the proportion of corn and half the proportion of green crops and grass. In other words, it is doubly dependent on the price of corn as compared with the middle-class farm system, which relies to a far greater extent on dairy produce, its fat cattle, its vegetables and its hay. The result is that the latter pays more rent or surplus for the use of the land and a higher rate of wages to the laborer.

There can be no doubt that circumstances of soil and position are the chief cause or the distinctive modes of husbandry which have continued

to characterise different counties, notwithstanding the obvious change in the relative values of agricultural produce. The price of wheat is not higher now than it was one hundred years ago. Barley and oats have risen 50 per cent and animal produce more than 100 per cent in that time. And yet wheat maintains its prominence on the heavier soils where a bare fallow is still found the most perfect and economical preparation for that crop, and in the eastern, south midland and southern counties, where a dry climate and somewhat thin soil is less favorable to stock husbandry and grass. It is worthy of notice that in every one of the ten counties where the large farm system prevails the chalk formation predominates, and there is no coal; while in all the ten counties of the smaller farm system coal is present, and there is no chalk. The vicinity of coal has naturally influenced the increase of population and the consequent higher rates of rent and wages.

X.—*Proportions Under Bare Fallow.*

The extent of land in England under bare fallow every year is nearly 800,000 acres, which is more than one-tenth of the whole breadth of corn. The proportion in Scotland is about a twentieth, and in Ireland less than the ninetieth part. In France and Prussia an extent equal to one-third of all the cereals is annually left to lie fallow. This undoubtedly indicates the great prevalence of a poor and low state of husbandry in these countries, due in a large degree also to the dryness of the spring and summer climates. But of the three kingdoms it is very remarkable that Ireland should stand so pre-eminently above the others in her comparative freedom from the direct loss occasioned by the necessity of leaving the land to lie fallow, which cannot be wholly accounted for by the comparatively small proportion of clay soils in that country.

XI.—*Distinctive Features of Husbandry.*

There is a much greater similarity than will be generally imagined in the agriculture of England and Scotland, and a distinctive principle of difference between them and Ireland in a very important point. This will be clearly seen by the proportions of the whole area of the three countries, exclusive of heath and mountain land, thus divided:

England has in corn and potatoes 33 per cent, in green crops and grass 66 per cent.

Scotland has in corn and potatoes 33 per cent, in green crops and grass 66 per cent.

Ireland has in corn and potatoes 20 per cent, in green crops and grass 80 per cent.

The agriculture of England and Scotland seems thus alike in its prin-

ciple of one-third exhaustive and two thirds restorative crops, while that of Ireland has only one-fifth exhaustiv. to four-fifths restorative. I have included potatoes in the exhaustive crops, so that Ireland, which has by far the largest proportion in potatoes, suffers some disadvantage by this mode of comparison. But the result is very startling, as it places the agricultural system of Ireland, as an ameliorating and reproductive self-supporting system, far above that of England and Scotland. To this I will return. But as some illustration of the effect of this exhaustive system of corn husbandry as compared with its proportion of the restorative green crops and grass, the following figures gathered from the returns are deserving of notice :

	Per cent of corn and potatoes.	Percent green crop, & grass.	Av. prod. of wheat p. acre. Bushels.
England	88	66	28
Prussia	45	55	17
France,	54	46	14

This would seem clearly to show that deterioration rapidly follows the loss of a due balance between the exhaustive and restorative crops, where there are no extraneous means of supplying the loss.

XII.—*Feeble Yield of France Explained.*

The state of agriculture in France is of much importance to the consumer of bread in this country. In some recent years she has contributed one third of our whole foreign supply of wheat, considerably more than the entire produce of Scotland and Ireland. A good crop in France, therefore, at once tells on our prices, whilst a failure brings her large population into competition with us in the general market of the world. She has a vast breadth annually under wheat, but the yield is very small. This has been attributed, and would appear partly due, to the poverty and want of skill of her small occupiers; and many arguments have been founded upon it against the small farm system and the minute subdivision of land. But it has often struck me in passing through that part of France which lies between us and Paris, that the general cultivation of the land, and the appearance of the growing crops, was quite equal to our own, and the very low average rate of yield of wheat officially stated seemed to me, therefore, unaccountable. The explanation has been afforded to me by the distinguished French economist, M. De Lavergne, in the following letter, dated 25th February last: "The official returns gives a mean yield of 14½ hectolitres per hectare, the actual yield being more above than below the estimate. Eight departments, Le Nard, l'Oise, l'Aisne, Somme, Seine-et Oise, Seine-et-Marne, Seine and Eure-et Loire, have a yield equal to the English average; but the forty-five departments which form the southern part of the territory, do not yield more than 10 hetolitres to the

hectare. This feeble yield is caused in many of the departments by bad cultivation, and in the south by the dryness of the climate in Spring. The statistical returns also show 5,148,000 hectares of fallow, which is in fact the third of the surface sown with cereals." There is no help for that part of the country which suffers from great dryness of Spring climate, but there would seem much room for improvement in the yield of wheat over the remainder, which comprises probably more than one-half of the surface of France. As increasing importers and consumers we are nearly as much interested in that improvement as the French themselves. The state of agriculture must be low, indeed, where it is possible to be carried on with an average produce of 10 to 12 bushels wheat an acre. The costs and profits of cultivation must be at the very minimum to yield any surplus for rent, and the condition of the cultivator must be a hard one. He has other sources no doubt, which may help him—his vines and oil—but in the nature of things it is impossible that he can get any profit from his wheat crop, until by such a change of system as will increase its yield. Towards this object the French Government have for some years been unremitting in their attention, by contributing largely from the public resources to improve the internal communication of the country and facilitate the interchange of products. The increase of a few bushels an acre over so large a surface as one-half the wheat crop in France, would give her a regular surplus for exportation.

XIII.—*Irish Agriculture.*

It was my intention to have instituted a comparison between the large farm system of England, and the small farm system of Ireland, and I had prepared detailed statements of groups of counties in the two countries for the purpose; but there are too many elements of estimate or conjecture to warrant their publication as a statistical deduction. If we confine our attention to Ireland alone, some remarkable anomalies present themselves. The province with the highest valuation—Leinster at 20s. an acre—has the smallest population on the square mile of land under the plough; while Connaught—with a valuation of 6s. 8d. an acre—the lowest of the four provinces, has the largest population in proportion to its arable land. The poorest part of the country is thus also the most populous. But that does not seem to arise from an excess of small farms, for Leinster has a larger proportion of holding under five acres than Connaught.

XIV.—*No Recent Reduction in Small Holdings.*

A great reduction took place in the number of small holdings in Ireland during the years of the potato famine, 1845 to 1850, but since 1850 there has been very little alteration. The comparison one constantly

meets with is between the years 1841 and 1861, the small farms being stated to have fallen in that time one-half in number, and the larger sized increased in an equal ratio. But that has not been progressive. It had all taken place before 1851, and there has been no marked change in this direction during the last eighteen years. In 1867 the number of holdings was 607,000, divided thus:—307,000 farmers holding farms of 15 acres and under, and 300,000 farmers of 15 acres and upwards. But the first-class, or small farmers, hold not more than one-eighth of the cultivated land; the second-class, or larger farmers, holding seven-eighths of the whole.

We have already seen that the counties in England where the system of moderate-sized farms prevail have the smallest proportion of corn, and the highest of cattle and of dairy stock. They have a greater rainfall, a deeper soil, and are more productive of grass and green crops. Now, if we exclude from consideration for a moment the 307,000 small farmers, that is exactly the state of Ireland. Her climate and soil are very favorable to green crops and grass and to dairy farming, and she has the further great advantage, which I have already shown, of having the smallest proportion of such land as it is necessary to lay fallow; and her system shows the largest proportion in the three kingdoms of restorative to exhaustive crops. Her only disadvantage as an agricultural country is the occasional visitation of seasons of too much rain. That has several times imperilled the wheat crop. But the wheat crop is less than one-tenth of the cereals of Ireland, and her agriculture is but little dependent upon it. Oats are her chief reliance as a corn crop, and from flax she derives an annual return of between two and three millions sterling—an article which may be said to be now unknown to the agriculture of England and Scotland. If we sum all up, we find that, as compared with the sister kingdoms, Ireland has on the whole a more productive soil, and her produce is chiefly of that kind which in the last twenty years has risen most in value. I am very much disposed to think that the seven-eighths of Ireland, which are in the hands of the larger farmers, yield as great a produce per cultivated acre as the average of England and Scotland. I am not in a position to submit this to any accurate test of proof, but this is the impression left on my mind as the result of a careful investigation of the question.

XV.—Distress mainly Confined to One-eighth of Land in Hands of Smallest Occupiers.

But the position of the 307,000 small farmers who occupy the remaining eighth of Ireland is probably very different. It is among that body that real distress is found, though the class of larger farmers, not much

separated from them, have helped to swell the general complaint. Experience has shown that it is only in climates and upon soils the most favorable that an entire dependence for his subsistence can be placed by the cultivator of a few acres of land. Even in Belgium, where circumstances are favorable, the small cultivator has but a hard lot of poverty and toil. He thrives where, in addition to his land, himself and his family find regular employment in some other industry. It is the same with the English peasant. A man who has regular employment at wages finds an immense advantage in a good garden allotment beside his cottage, and that is vastly increased when that cottage is on the farm, away from the temptation of the beer-shop, and where, as part of his wages, he receives the keep of a cow. This is the system in the border counties, where agriculture is in the most prosperous state, and the agricultural laborer the best fed and clothed, the most educated and intelligent of his class in any part of the three kingdoms. But the Irish farmer of a few acres of interior land must be in a position of chronic distress. The witnesses most favorable to him examined before Mr. Maguire's Committee in 1865, held that 15 to 20 acres and upwards was the least extent on which a man with his family could be expected to thrive. On land of good quality, and near a large population, a much smaller extent might no doubt be found sufficient. But taking the land of Ireland as it is, and the circumstances of the country, and its mode of agriculture, there is a general consent of the most competent judges in that country, that farms below 15 or 20 acres are too small to afford a due return for the entire labor of a man and his family. It would therefore follow that 130,000 of the small farmers, with their families, are as many as the remaining eighth of the surface of Ireland can profitably maintain as farmers, and that there will then remain a surplus of 170,000 and their families. These figures represent the whole number of holdings; but several holdings are believed to be in many cases in the hands of one farmer, and the total number of occupiers is therefore reckoned by Lord Dufferin not to exceed 441,000. If that be so, the surplus to be otherwise provided for will not exceed 100,000.

That seems no impossible an achievement. A wise measure for settling the long agitated question of the tenure of land will give a great impetus to improved agriculture, and the consequent demand for labor will rapidly absorb that surplus. It is, after all, little more than one additional family for every 160 acres of cultivated land. I have no doubt that the Legislature which shall pass the great measure of pacification for Ireland, which is now under its consideration, will in due time complete the work by a just land law, which will give greater security to the employment of capital in the cultivation of the land, and call into action that surplus labor, without which its latent fertility cannot be fully developed.

XVI.—*The English Agricultural Laborer.*

But, though the state of the Irish peasant has been more forced upon public attention, the condition of the agricultural laborer in England is very far from satisfactory. The agricultural returns afford no guide to its consideration. He is the only class of the community who has no representative. The Irish peasant has, directly in many cases, by his vote as a small farmer, and indirectly through his church, which (connected neither with the landlord nor the State) brings the aggregate feeling of the people to bear upon their Parliamentary representatives. By one means or another they do make themselves heard in Parliament. But so little is known of the English agricultural laborer, that when his actual condition is set forth in the report of a Royal Commission, the public are struck with astonishment, and even the landowners are surprised to find a state of things at their doors which many of them little suspected. The condition of the laborers' dwellings is in some counties deplorable. It is not my province, however, on this occasion to enter further on that subject. I attempted to introduce a clause in the last Census Act, in 1860, which would have thrown much light on the state of our cottage accommodation, but it was rejected in the English Bill. It was adopted, however, in the Scotch census, and has shown that one third of the population of Scotland lived, each family, in houses of one room only, another third in houses of two rooms; two thirds of the whole of the people being thus found to be lodged in a manner incompatible with comfort and decency as now understood. The same returns in the next census will show the progress that has been made in the 10 years; and the public advantage of this will, I trust, lead to the adoption of a similar system in the next English census.

In the same year I moved for the returns of the wages of agricultural laborers in England and Wales, which was subsequently followed for Scotland and Ireland. Upon these returns Mr. Purdy read to this Society an able and interesting paper in 1861. These form very important branches of the statistics of agriculture, and though it is not necessary that they should be included in the annual returns, I trust their importance will not be overlooked in the preparation of the next Census Act.

XVII.—*Great Change in proportion of the People Dependent on Agriculture.*

It has been found in Ireland, and is the case to a less extent in some parts of England, that it is not so much the low rate of wages as the irregularity of employment which depresses the condition of the agricultural laborers. That is mitigated by emigration from the agricultural to the

mining and manufacturing districts, or to foreign countries. Mere farming will not take up profitably the natural increase of population in a thickly-populated country like ours, and the purely agricultural districts in each of the three countries are constantly parting with their surplus. The proportion between the producers and consumers of food is thus undergoing a marked change. In 1831, 28 per cent of the population of England and Wales was occupied in the business of agriculture. In 1841 it was 22 per cent. In 1851 it had fallen to 16 per cent, not so much from an actual decrease of the numbers employed in agricultural as from the far greater proportional increase of trade. In 1861 the proportion was 10 per cent, and then not only had the proportion diminished, but the actual numbers had decreased by nearly one-fifth. It is very a remarkable fact that in the course of a single generation the proportion of the people of England employed in and dependent on agriculture had diminished from a third to a tenth. The only means of arresting this is by providing better paid and more regular employment in country work, and thus diminishing the temptation of the higher wages of the mines, the factory, and the towns.

XVIII.—*Home-Grown Sugar.*

Last year I touched on this subject, and mentioned the intention of trying the beetroot sugar growth and manufacture in this country. The experiment was made in Suffolk, and with so much promise of success, that in the same locality this season a sufficient breadth of beet will be planted to keep an extensive sugar factory in full work for the four slack months from October to February. The matter, then, will be beyond experiment, for if it proves, as is anticipated, the suitability of our climate and soil to the profitable production of sugar-beet, it will be the dawn of a new agricultural industry, which may rapidly be developed, to the great benefit both of England and Ireland. The possible magnitude of the result will be readily appreciated by the fact that in this country the consumption of sugar is equal to nearly one-third of all the sugar annually produced in the tropics and on the continent, and that any disturbance which would seriously alter the state of property or labor in Cuba, must give an immense stimulus to the demand for beetroot sugar. And the reduction of price which will follow the "free breakfast table" promised to us by Mr. Bright, as one of the early results of economy in our public expenditure, will rapidly augment that demand.

In a national point of view the introduction of a new manufacture connected with agriculture, such as beetroot sugar, will both enlarge the field of remunerative labor in the country, and provide an absolute addition to

agricultural produce and wealth. For the pulp after the sugar is extracted has lost little of its value as cattle food, and therefore the substitution of sugar-beet for some of the present cattle crops will displace to a very small extent the means of feeding cattle. And even that will soon be made good by the more generous farming which the profits of sugar-growing will enable the farmer to practise on the other crops of his farm.

I have here a specimen of the first English-grown sugar, not a mere experiment, but produced as a matter of business. I find, from a French paper sent to me this morning, that the northern departments of France now produce about 200,000 tons of sugar a year, or nearly two-thirds of the sugar consumed in France. We use twice as much sugar in this country as the French do, and its consumption is always increasing. At a reduction of price equal to the present duty that increase would rapidly extend. I may be over sanguine on the subject, but I should not be greatly surprised if in ten years hence many thousand acres in the United Kingdom should be profitably employed in the production of home-grown sugar.

XIX.—*Return of Horses Desirable.*

The last topic on which I will touch is one of omission. The returns of live stock do not include horses, the most interesting, and individually the most valuable of all. As every man knows the number of his horses, the return can be given without occasioning a particle of trouble, and I hope therefore that the schedule for the present year will include a column for horses.

In conclusion, I think it will be generally admitted that the agricultural returns have proved most useful and most instructive, and considering the ever increasing demands of our population on the resources of agriculture, I trust that nothing will be permitted to interfere with their continuance, and with that greater development which further experience may render it desirable to introduce.

THE COMING CHINESE.

The immigration from Europe has been in a westward line and millions have come from that line of population to occupy the virgin soil of the United States. These millions now seem likely to be supplemented by other millions coming from the West and meeting the great tide that has already poured in upon us. The planting of American interests on the Pacific coast and the discovery of gold in California at once arrested the sluggish thought of Asia and turned the attention of China to this country. Many years ago the Chinese began to come, slowly at first

and then in larger numbers, until a few days ago a single steamer landed 1,200 at San Francisco; and only week before last, the Chinese merchants of San Francisco, on the occasion of meeting the Congressional Committee of Ways and Means, urged upon them the importance of doubling the subsidy to the Pacific Mail Steamship Company so that it might engage in a bi-monthly service in order to accommodate the growing business between China and the Pacific coast of the United States. There are, at least, 200,000 Chinamen in this country. They have spread all over California, their outposts are carried even East of the Mississippi. Last week 500 went down the great river in quest of a new home in Louisiana. The population of China is variously estimated at from 400 to 500 millions. It is only within six years that the Chinese emigration has gained large proportions. Persecuted and evil entreated they have been, but this has not kept them back. Harsh laws and a harsh public opinion have met them, but they have borne all and quietly asserted their right to labor. That they are needed, the immense acres of uncultivated land that we have, give proof. That they are frugal, industrious, teachable, patient and intelligent, even their enemies concede.

When the Chinese came to California and encountered the hostility that met them, they found it necessary to organize themselves into companies for mutual protection. There are six of these in San Francisco, directed by Chinese merchants of standing and influence. Each company represents a district in China, and emigrants join the company which covers the place from which they come. The companies procure labor for their members and take care of them in sickness and when unemployed. They advance money to bring out emigrants, and then take the stipulation of the emigrant for the speedy repayment of the sum advanced. This is briefly the system on which the false charge of a sort of peonage or slavery has been based. The Chinese quickly made themselves popular as house servants. They are neat, orderly, skillful, inclined to remain in a place, have no "followers" and are not troubled with a desire to attend religious services, either before breakfast or after dark. The ladies admire them so much as servants that they will be likely to change the public sentiment of California in regard to their civil and political relations. Already housekeepers at the East, wearied and vexed with the inadequate service rendered by our household dependents, turn with longing eyes to the Chinese as auspicious of a better and brighter day in the domestic economies. Once shown how to do a thing, and why, Chinamen need no further instruction. Chinese art and labor are the perfection of imitateness. They not only labor in houses, but they are book-binders and printers, setting type readily in a language they cannot read; they are careful and extraordinarily skilled tailors;

they manipulate the tools of the designer and the carver; they handle the most delicate labor-saving machines with address and intelligence. The Pioneer Woollen Mills were once burned because they employed Chinese labor; now they work in the same mills unquestioned. In gangs of street laborers they were mobbed a year ago; now they work in San Francisco streets without the protection of the police. Quiet, peaceful and persistent, they have disarmed much opposition. Under State enactments they have paid a license tax of four dollars a month for the privilege of working in the mines, besides other taxes they have paid. Once the Legislature imposed on them a special police tax of \$5 a month, but the Supreme Court pronounced it unconstitutional. Nearly all of the Chinese read and write their own language. They are anxious to acquire our language, and they send their children to the State Schools.

The cost of Chinese labor is one of its great recommendations. The Chinaman will live, and save, and thrive on the starvation wages of other laborers. They can work for one-third the cost of European labor, so that gold mines which yields \$7 per ton can be made productive where white labor halts when the result is less than \$20 per ton. But it is as the railway "navvy" that the Chinaman has made his mark. The builders of the Central Pacific Railroad hesitated long before they employed him. He turned up less earth at a shovel full than the Irishman did, but he turned up more shovel fulls in a day. He knew nothing of strikes. He never indulged in sprees or thirsted for a "row." A California railway contractor, who has worked laborers of many nationalities says, that these Asiatic laborers are the most serviceable and least troublesome of any to be found on the Pacific slope. They are promptly on the ground to begin work the moment they hear the signal, and labor steadily till notified that the working hours are ended. They will, ere long, turn the sod and build the embankment, on other lines, across the continent, and upon the numerous roads which are to be constructed in the Southern States. They will yet be familiar faces in New England factory towns.

The political and religious relations of this incoming Chinese population are foreign to our consideration of the subject. We look at the question in its bearings upon population and in the grand results to be effected in the industrial development of the country. Railways and canals, wharves and docks, public buildings are to be constructed. Farms are to be cultivated. The hundreds of millions of acres now waiting culture are to be made productive. Is it not the part of wisdom to execute these enterprises at a cost for labor of one-third that which is now paid? Great projects languish because of the cost of execution, and here come to us naturally and easily the willing hands and the eager wills. They come just fast enough to admit of their assimilation with the various masses of

people that compose our population, and which are rapidly acquiring homogeneity. They can live in any part of the land, but they tend rather to the Southern portion of the Union as more nearly allied to the climatic influences to which they have been habituated. There is a movement now in progress at the South, to tempt Chinese emigration thither. It meets with a singular unanimity of approval. It is regarded as the means and the hope of a new and higher prosperity than has ever yet visited those States productive and prosperous as they have been. To the convention which represents this movement, a report has been made that emigrants in lots of 50 or upwards can be brought from California for \$50 each in gold, and from Hong Kong to San Francisco for from \$80 to \$100 in gold. A Chinese contractor who has brought 30,000 laborers to the Pacific Coast, says that they are paid in California 90c to \$1.10 in gold, per day, that they will come from San Francisco to Memphis and work for \$20 a month, while if brought out fresh from China, they may be had for from \$10 to \$12 a month. He remarked, however, that at these low wages they were likely to abandon their situations for higher wages, unless security was exacted of them. Chinese companies organized in the South, with those in California might arrange the proper security. But of this movement we shall speak again.

THE CENTRAL NATIONAL BANK DEFALCATION.

A better proof could not be given of the judicious choice which has been made of officers for our new National Banks than the very rare occurrence among them of defalcation and breach of trust. One of these painful and exceptional instances has recently been detected and has awakened almost equal surprise and sympathy. William H. Sanford, the Cashier of the Central National Bank in this city, was, it seems, one of the sufferers in the recent Mariposa speculation which terminated so disastrously for the holders of the shares, who had supposed that this highly speculative stock had ceased to be the foot-ball of Wall street, and had taken a permanent place among the solid securities whose value would be steadily but slowly and surely appreciated with the improvement of the property it represents. The particulars of the disaster which befel this stock are fresh in the memories of our readers and were detailed by us at the time. It is sufficient for us now to say that Mr. Sanford, like multitudes of other victims, thought the decline was temporary, and did not wake up to the real state of the case until the final crash had come and had left him the loser of one hundred thousand dollars. To keep his account good with his brokers he seems to have placed in

their hands securities of which the bank was the depository and which belonged to various customers of the institution, chiefly to persons and banks outside of the city. Goaded almost to madness by the discovery that his loss was irretrievable, this miserable delinquent, placed as he was in peril of the most severe punishment from the laws of his country, obtained leave of absence from the bank, and, before his crime was found out, put himself beyond the reach of pursuit, and is now supposed to be in France or South America. The unhappy family are left quite destitute, and no trace seems to have been left by which he could be followed and brought back to justice.

Such are the chief facts of this painful case which has inflicted a loss on a banking institution of the very highest credit, and has swept away a part of the surplus which belonged to the stockholders, involving not only a crime which has blasted the career of a man heretofore stainless and respected, but has also grieved and shocked beyond measure his wide circle of friends and has plunged his family into the depths of poverty. There are two or three lessons of a general nature which we should not omit to deduce from the event.

The first is the necessity of enforcing on all our bank officers the strictest prohibition of speculation. Let the directors of every national bank adopt a rule that any officer or clerk discovered speculating in the stock market, either with his own money or not, shall be instantly dismissed without being allowed to resign. Such a rule might, it is true, be evaded. But the men who would evade it are just the sort of speculators to be detected in some other way, if the directors and the other officers of the bank do their duty. The chief effects of this prohibition would be felt by such men as Sanford, who are self respecting, frugal, honest, but anxious to be rich, and tempted by the success of others, to try to draw a prize in the Wall street lottery. When such a man is tottering on the brink of his first breach of trust and shrinks with the sensitiveness of a half-awakened, half-paralyzed conscience from taking the fatal plunge, let him have at least this one chance to rescue himself. Let him have the knowledge that if discovered he will be ignominiously discharged from his place and will find it impossible to get another.

But it may be said that the brokers, through whom these bank officers must do their surreptitious speculation, would keep the matter so secret that the risk of detection would be almost annihilated. This is not so certain. By a law of the last session of Congress, the broker who is a party to such defalcations as this of Sanford's, is liable to severe penalties, and it is not possible that perfect secrecy could be preserved in any such transactions. Somehow or other the affair would leak out, and the delinquent would be all the time in danger. In such matters it is of great

importance to raise barriers against the first offence. When a bank cashier or a bank clerk has once gone wrong, it is easy to repeat the offence. Besides, the first breach of trust involves usually a small amount, easily replaced, though perhaps urgently wanted. Yet if yielded to the temptation will grow by that it feeds on till like a canker, it destroys and ruins. Sanford would not now be a fugitive from justice after blasting his own prospects and ruining his family, had he resisted the first temptation, which involved probably a trivial sum. Public opinion will support our banks in the enforcement of the penalty of dismissal which we have suggested as the proper punishment for a bank officer or clerk who is found guilty of the crime of speculating. And except some such safeguard is given, the banks must not be surprised, if they are looked upon by some of their stockholders and dealers with anxiety not altogether devoid of distrust and fear.

There is one other point which demands notice. Mr. Sanford's accounts with the bank were all in the most perfect order. The books of the institution showed not the least indication that anything was wrong. And still he was a defaulter to an amount one half of which would have been regarded by him as an ample fortune. For aught we know, similar losses might have taken place before, but were retrieved in time to prevent discovery. Now it will be impossible to persuade the public that there is not something radically defective in this loose way of keeping bank accounts. If a bank officer can show a clean record on his books after he has made away with \$100,000 of funds belonging to his customers, it is high time that some more effective checks were devised for keeping such violent temptations away from fallible men. It will be well if this defalcation in the Central Bank, which is one of the best managed institutions in the city, should draw the public attention to this matter, and should cause some better guarantee that the records and books of the bank should give such an account of the funds in the hands of the officers that defalcations may be more easily detected and more effectively prevented.

THE FINANCIAL OUTLOOK.

In the anomalous condition of our national finances, every body is asking with anxiety about the future, and there are several points which are well deserving attention with a view to forecast what awaits us. The first is that there is no lack of capital in the loan market. This capital may not be easily accessible to ordinary borrowers. There are obvious reasons why it is hard for the mercantile community and the ordinary public to obtain from the banks the usual accommodations to which they have been

so accustomed that they find the want of it a serious deprivation. Still that capital is here in large accumulated masses, the vast amounts of securities of all kinds which are offering in Wall street, offer a conspicuous proof.

The second point is that this capital is in few hands. Never was there a time in our history when capital moved in such large masses as now. The effects which this aggregation of the money power is producing in the course of speculation is destined, no doubt, to produce hereafter some very troublesome evils. It has its compensations, however, for without it the gigantic strides which the South and West are making in the career of material progress would have been impossible. There is, however, considerable jealousy of the growing power of capital, and no small apprehension prevails lest the corruption and other mischiefs it is likely to inflict on the republic should outweigh all the advantages it is likely to confer. Without acknowledging for a moment the justice of this jealous suspicion, we frankly admit that this growing power of capital will bear watching, and that some remedies for the evils it has produced and the greater evils it threatens are already demanded, and should neither be refused nor delayed.

The next point worthy of note is the large profits made on capital in this city. There are not a few national banks in the country whose officers almost reside permanently in New York, and use the money of the bank in Wall street to much better purpose, so far as profits are concerned, than if they soberly and quietly sat still at home and lent it to their neighbors in the legitimate way of loans and discounts. We do not now refer to speculative bank officers, but to those sharp, shrewd austere men who never speculate, but always in a tight money market have large sums to lend at the highest rates. How far the recent prosecutions for usury will check this trading in money we cannot tell, but there is no doubt that the vast sums which have been lending in Wall street of late at usurious rates were not wholly derived from our city banks or from city lenders. A goodly proportion of the amount we fear comes from country national banks, which are technically said to be "run in Wall street." There is some doubt whether such banks would not have their privileges revoked if these privileges, which really belong to another State, are thus transferred to New York for the sake of extra profits. The country banks are notoriously unable to make such large profits as the banks of the city, but this is no excuse for the abuse in question. We do not now discuss this aspect of the case however. We only allude to it as an illustration of the vast profits which shrewd money-lenders can make by manipulating loanable capital in Wall street.

Another of the most significant features of the financial situation is

that the trouble caused by the monetary spasms which have lately prevailed, and the dead uncertainty as to the future of the loan market, do not prevent capitalists from embarking large sums in permanent investments of almost any kind. Railroads are building, while all over the country, and especially in our large cities, new edifices are going up, and on every side there are unmistakable indications of the rapid conversion of floating capital into fixed forms. Meanwhile, almost every description of legitimate business is suffering, and there is no small apprehension among our mercantile classes as to the prospects of the fall trade. It is premature to offer any very positive opinion as to these apprehensions. But there can be no doubt that those persons are greatly in error who suppose that the country is growing poorer. Everyone who is familiar with the history of England during the first decade after the Napoleonic war will call to mind that that country passed through an experience very similar to our own, although in our case the evils are somewhat more aggravated, because our currency is more deranged, and the speculation bubble of paper money has assumed more formidable dimensions.

From all that has been said, two obvious inferences arise. First, there is no ground for fear lest we are on the eve of a general financial crash. The country is richer to-day than ever before in all the elements of material wealth, and we can bear all needful fiscal burdens if care be only taken to reform our internal tax list, to keep the national debt sacred and to enforce the most rigid economy in every department of governmental administration.

Secondly, the monetary troubles of the past six months, although artificial in their origin, indicate a highly sensitive and excitable condition of the financial atmosphere, and as they may be repeated again and again, our mercantile and industrial enterprises should be kept as nearly as possible within the limits of sound prudence and of bona-fide capital. If our merchants and business men will avoid speculative risks and trust to legitimate operations, they will soon find the country recuperating and themselves recuperating with it. If, as seems probable, a beneficent Providence gives us a copious good harvest this year, north and south, we shall soon enjoy more obvious and general prosperity, and joy and plenty will cheer those sections of our industry where now gloom and depression are but too frequently found. We see no reason to doubt the accuracy of those shrewd, far-seeing merchants of this city who, from the scarcity of goods in the interior, the anticipated good harvest, and the substantial prosperity of the country, are looking for a lively fall trade.

RAILROAD EARNINGS FOR JUNE AND FOR THE FIRST SIX MONTHS OF 1868 AND 1869.

The results of the June traffic of our railroads, as compared with the returns for the corresponding month of last year, are highly satisfactory, showing as they do an increase of no less than 14.84 per cent in the earnings of ten leading western lines. Not one of the roads indicated has fallen behind the previous years' earnings. That these favorable results are due to enlarged business is well ascertained, since the tariff of 1869, both as to passenger and freight rates, are lower generally by several per cent than in 1868. There has been worked in 1869, however, about 150 miles more road than in 1868.

The earnings for June are as follows :

RAILROAD EARNINGS FOR JUNE.

	1869.	1868.	Inc.	Dec.
Chicago & Alton.....	\$391,683	\$391,504	\$7,191	....
†Chicago & Northwestern.....	1,258,284	1,167,544	90,740	....
*Chicago, Rock Island & Pacific.....	508, 01	878,476	129,564	....
†Illinois Central	668,112	626,249	41,763	....
Marletta & Cincinnati.....	118,648	95,323	23,325	....
Michigan Central.. ..	864,628	825,801	41,827	....
Michigan Southern.....	478,139	365, 17	48,022	....
Milwaukee & St. Paul.....	678,800	478,191	220,609	....
Ohio & Mississippi.....	223,236	217 062	6,164	....
St. Louis, Alton & Terre Haute.....	154,152	140,408	13,724	..
Total.....	\$4,775,559	\$4,158,154	\$617,405	\$....

The returns of the same companies for the first half of the same years show an increased traffic averaging of 12.36 per cent. The total earnings from January 1 to June 30, for the current and last previous years were as follows :

EARNINGS FROM JANUARY 1 TO JUNE 30.

	1869.	1868.	Inc.	Dec.
Chicago & Alton.....	\$2,106,626	\$1,735,318	\$371,308	....
Chicago & Northwestern	6,468,826	5,871,497	616,529	....
Chicago, Rock Island & Pacific.....	2,330,109	1,877,579	452,530	....
Illinois Central.....	3,767,531	3,335,652	431,929	....
Marletta & Cincinnati	637,442	565,983	71,959	....
Michigan Central.....	2,278,845	2,035,569	192,796	....
Michigan Southern.....	2,524,245	2,293,484	228,329	....
Milwaukee & St. Paul.....	2,975,997	2,474,261	491,787	....
Ohio & Mississippi.....	1,274,189	1,383,079	....	\$108,890
St. Louis, Alton & Terre Haute.....	917,776	834,492	83,294	...
Total.....	\$25,233,186	\$22,501,921	\$2,781,821	\$....

In our former statements of monthly earnings we included the Pittsburg, Fort Wayne & Chicago and the Toledo, Wabash & Western Companies. The new relations of these roads, and the difficulty of obtaining separate returns, compel us to omit them. We also omit the Western Union Company.

* Miles working in 1868, 454; in 1869, 594.

† Including leased lines in Iowa.

THE PUBLIC DEBT AND FINANCES OF NEW HAMPSHIRE.

The public debt of New Hampshire has been created solely for war purposes, and on the 1st day of June, 1869, amounted to (bonds \$2,849,200, and notes \$321,810) \$3,171,010. The State also holds trust funds to the amount of \$42,925 22. The following statement describes the bonded debt:

Six per cent Loan of 1861.....\$705,200

Authorized by Act of July 3, 1861. Issued \$1,000,000, in 100s, 500s and 1,000s. Coupons January 1 and July 1, and principal July 1, 1866-1875 inclusive, the annual payment averaging about \$100,000. Up to date \$294,800 has been paid, and \$100,000 became due July 1, 1869. All these bonds bear date July 1, 1869. Payable at Boston or Concord.

Six per cent Loan of 1862.....\$294,000

Authorized by Act of July 9, 1862. Issued \$300,000 in 500s and 1,000s. Coupons January 1 and July 1, and principal July 1, 1876-1878 inclusive. These bonds also bear date July 1, 1861, the act authorizing them being supplemental to that of July 3, 1861. Payable, interest and principal, at Boston or Concord.

Six per cent Loan of 1864.....\$600,000

Authorized by Act of August 19, 1864, and bonds dated September 1, 1864. Issued \$600,000 in 1,000s. Coupons March 1 and September 1, and principal—\$450,000 September 1, 1884, and \$150,000 September 1, 1889. Payable at Boston or Concord.

Six per cent Loan of 1866.....\$1,250,000

Authorized by Act of July 7, 1866. Issued in 100s, 500s and 1,000s. Coupons April 1 and October 1, and principal in sums of \$250,000 annually, October 1, 1870-1874, inclusive, both payable at Boston or Concord. The act as above, and a supplemental act of June, 1869, authorized the issue of \$1,800,000, so that there remained in the Treasury June 1, 1869, \$550,000 subject to issue, and which will probably be used in taking up the short loans which mature at various dates prior to January 1, 1870. These are in the shape of notes bearing interest (6 per cent \$28,810, and 7 per cent \$293,000) \$321,810. Under the law of 1868 the Treasurer has also the authority to hire all the money that will be needed for the temporary use of the State, so that no further legislation will be necessary.

Of the State's claims against the United States for expenditures for war purposes, amounting to \$1,032,527 45, there has been allowed and paid \$1,000,618 06, leaving a balance still disallowed of \$31,908 39.

The population of New Hampshire in 1860 was 326,073, which was 11.74 per cent increase from the next previous decennial census, or 1.17 per cent per annum. The population is now estimated by the State Treasurer at 350,000, showing an increase in nine years of 23,927, or 7.34 per cent. This estimate is based on a reduced rate of increase, and is probably nearly correct, the retardation to the extent shown being due to the withdrawal of large bodies of troops from civil life from 1861 to 1865. The war debt, as above exhibited, divided among the existing population is thus only \$9 06 per capita.

The value of taxable property in 1868 was (real estate \$69,344,903, and personal property \$79,720,387) 149,065,290. Compared with the war debt of the State this amounts to one of debt to every \$47 09, or 2.12 per cent of valuation. The valuation of 1858 was \$84,758,619, the increase in ten years having been \$65,306,671, or 78.23 per cent. The valuation of 1868 has probably been based on a nearer approximation to market rates than that of 1858, and hence the enormous addition to the sum total. The valuation of 1868 gives \$425 90 to each inhabitant.

The rate of taxation in New Hampshire is 4 per 1,000 on the valuation. The amount levied for the service of 1869-'70 will hence be \$596,261 16. This rate covers taxes of all kinds levied for State purposes. There is very little delinquency in this State, the whole sum of the taxes of 1865-'67 and '8 delinquent on June 1, 1869, having been only \$1,181 54, an infinitesimal per centage on the amount levied.

The following is a synopsis of the revenue and disbursements of the State Treasury for the year ending May 31, 1869:

REVENUE.—Cash June 1, 1868, \$18,684 72; taxes of 1866, \$6 25; taxes of 1867, \$1,035 63; taxes of 1868, \$623,940 63; savings bank tax, \$92,017 38; railroad tax, \$215,615 00; civil commissions, \$630 00; copyright of vol. 46 N. H. Reports, \$100 00; tax on foreign insurance companies, \$100 00; rent of store-house, \$300 00; war claims, \$42,158 21; interest, \$4,785 65; loans, (school fund \$25,050 00. notes \$427,660 00, and bonds \$242,500 00) \$695,160 00. Total, \$1,702,333 67.

DISBURSEMENTS.—Executive department \$3,918 80; Secretary's Department, \$3,853 29; Treasurer's Department, \$3,657 98; Adjutant-General's Department, \$9,550 74; Department of Public Instruction, \$3,604 40; Legislative Department, \$47 362 57; supreme judicial court, \$11,541 52; probate courts, \$7,685 65; State library, \$1,549 69; compiling provincial papers, \$3,501 40; State house, \$2,757 22; N. H. Asylum for Insane, \$23,888 39; education of the blind, \$3,674 84; education of the deaf and dumb, \$2,012 50; reform school, \$12,182 92; State Prison, \$10,374 25; volunteer militia, \$35,759 77; military expenses, \$6,049 29; White Mountain roads, \$2,600; miscellaneous, \$5,928 11; savings' bank

tax * \$99,917 58; railroad tax * \$100,138 61; interest, \$225,436 02; payment of bonds, \$850,100 and of notes, \$139,254. Total, \$1,627,299 54. Cash, May 31, 1869, \$75,034 13.

Deducting the receipts from bonds and notes, &c. (\$695,160), the revenue amounted to \$1,007,173 67, and the payments of bonds and notes (\$989,354), the disbursements amounted to \$637,945 54, which last named sum paid the ordinary expenses of the State, the distributions to towns, and interest on the bonds and notes outstanding.

The condition of the Treasury June 1, 1869, is shown in the following statement:

LIABILITIES.		ASSETS.	
Bonds...	\$2,849,200 00	Cash in Treasury.....	\$75,034 13
Notes.....	821,810 00	Taxes, delinquent.....	1,481 54
Trusts—Fisk Legacy.....	8,952 74	Net income of State prison.....	867 22
" Kimball ".....	6,751 49		
Surplus revenue—principal.....	1,009 44		\$77,162 39
" interest.....	1,236 55	Deficiency being indebtedness	
School fund.....	25,000 00	June 1, 1869.	\$136,879 33
Total.....	\$3,218,062 22	Total.....	\$3,218,062 22

The liabilities, less assets, June 1, 1868, were \$3,487,411 97, and June 1, 1869, \$3,136,879 33, showing a reduction of liabilities in the year of \$350,532 64.

In New Hampshire the township system is carried out to its full extent and there appears to be very little cohesion of the one with the other, the counties being merely so many court divisions. The towns, indeed, are so many little republics, managing their own affairs and disbursing their own revenues. It thus happens that if desirous of acquiring a knowledge of the exact measure of their burdens and abilities we must canvass the affairs of each town within itself, and so the returns of each are published separately by the State Treasury Department. It is impossible, however, to transfer these, from 230 towns, to the CHRONICLE, and hence we cluster them in counties, naming the number of towns included in each, the amount of their debts and assets, the highest and lowest rate of taxation in the towns of the counties named, and the highest and lowest tax on each poll therein. The following is the county summary:

Counties.	No. of towns.	Total debt.	Available assets.	Tax p. \$100—		Tax p poll—	
				H.	L.	H.	L.
Rockingham.....	38	\$1,328,901 54	\$179,515 36	\$5 00	\$1 33	\$7 20	\$2 10
St. afford.....	18	657,039 86	44,247 50	3 87	1 40	4 88	2 05
Belknap.....	10	496,680 98	46,950 12	2 52	1 91	3 73	1 91
Carroll.....	17	442,060 09	50,067 07	4 77	2 08	5 55	3 12
Merrimack.....	26	1,220,291 08	129,385 26	2 83	1 01	4 24	1 96
Hillsborough.....	30	1,285,575 54	146,679 58	2 45	1 43	3 68	2 14
Cheshire.....	22	538,964 14	41,799 18	3 10½	1 25	4 66	1 85
Sullivan.....	15	458,218 40	44,226 86	2 14	1 25	3 72	1 77
Grafton.....	38	1,043,390 41	154,010 24	5 28	1 30	7 91	1 96
Cook.....	21	308,114 36	59,168 48	4 60	1 84	6 90	1 76
Total.....	230	\$7,714,416 84	\$895,064 54	\$5 28	\$1 01	\$7 91	\$1 76

* Divided to the several towns of the State.

The highest taxed town in the State is Thornton, in Grafton County, and the next highest, Gosport, in Rockingham County; and the lowest taxed town is Cambridge, in Coos County. The net reduction in town debts during the years 1868-69 was \$77,622 04, the increase having been \$151,764 06, and the decrease \$229,386 10. Almost the whole of these debts have been incurred for permanent improvements, which have tended to the rapid development of industry and wealth in the State.

CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD.

The Rock Island Road formed a junction with the Union Pacific Railroad on the 11th day of May, and on the 7th of June, 1869, a second line between Chicago and the Missouri River was opened to travel and transportation. This is another great triumph of national enterprise, and an assurance of a prosperous future to our vast territories beyond the Missouri. The extension has added 140 miles to the company's lines, which at the present date consist of the following divisions and branches :

	Miles.
Chicago, Ill., to Rock Island, Ill.....	182
Rock Island bridge over the Mississippi.....	2
Osceola, Iowa, to the Missouri River.....	810
<hr/>	
Length from Chicago to the Missouri River.....	494
Wilton, Iowa, to Washington, Iowa.....	50
<hr/>	
Total length of line owned by the company.....	544

To this must be added the Peoria and Bureau Valley Railroad (leased), extending from Bureau Junction (114 miles west of Chicago) to Peoria, 46 miles—making a total length of 590 miles of road under a single management. During the year the cost of new construction and equipment has been \$5,192,609 03, exclusive of improvements and renewals on the old lines. Further sums will be required for ballasting, perfecting and equipping the recent extension. The company will also expend during the current year nearly \$800,000 in improvements in Chicago.

In the following tables we compare the company's operations in 1868-69 with the same in 1867-68 :

LOCOMOTIVES AND CARS.

Statement giving the number of locomotives and cars owned by the company April 1, 1867, and at the close of the fiscal years ending March 31, 1868 and 1869 :

		1867.	1868.	1869.	Inc.	Dec.
Locomotives.	Wood burning.....	85	87	24	..	11
	Coal burning.....	57	58	83	26	..
	Both descriptions.....	92	96	107	15	..
	Coaches.....	46	48	49	3	..
Cars.....	Baggage, mail and express.....	20	22	23	3	..
	Stock.....	202	210	227	65	..
	Box.....	1,109	1,305	1,534	425	..
	Flat.....	406	491	659	151	..
	Drovers.....	..	3	8	3	..
	Pay.....	1	1	1	..	..
	All kinds.....	1,816	2,080	2,556	710	..

The comparative results of operations in the fiscal years 1867-68 and 1868-69 are shown in the following tables:

MILES RUN BY ENGINES HAULING TRAINS.

	1867-68.	1868-69.	Increase.	Decrease.
Passenger engines.....	575,213	607,649	32,436	.....
Freight engines.....	1,150,489	1,692,509	542,020	.....
Wood and gravel engines..	171,235	214,615	43,380	.....
Total by all engines.....	1,896,937	2,515,073	618,136	.....
Cost per mile run.....	32.64 cts.	26.94 cts.	.....	5.70 cts.

PASSENGER TRAFFIC—ITS DIRECTION AND AMOUNT.

	1867-68.	1868-69.	Increase.	Decrease.
Passengers, through.....	52,853	59,793	6,940	.....
“ “ way.....	507,471	567,797	60,326	.....
“ “ East.....	271,953	304,391	32,438	.....
“ “ West.....	289,051	321,204	32,153	.....
Passengers of all kinds.....	640,374	627,590	12,784	.....
Passengers one mile.....	23,183,470	31,339,650	8,156,180	.....
Average rate per mile.....	4.19 cts.	4.12 cts.	.....	0.07 cts.

FREIGHT TRAFFIC—ITS DIRECTION AND AMOUNT.

	1867-68.	1868-69.	Increase.	Decrease.
Loaded cars, eastward....	39,359	51,672	12,313	.....
“ “ westward.....	35,746	53,877	18,131	.....
“ “ both ways.....	75,105	105,549	30,444	.....
Freight (tons) carried.....	654,435	806,788	152,353	.....
Tons per car (average).....	8.28	7.24	.....	1.04 cts.
Tons one mile.....	87,522,193	119,974,436	32,452,243	.....
Average rate per ton per mile.....	3.35 cts.	2.98 cts.	.....	0.37 cts.

FINANCIAL RESULTS OF OPERATIONS.

The financial results of operations for the last two years are shown in the following comparative statement:

	1867-69.	1868-69.	Increase.	Decrease.
Passenger earnings.....	\$1,181,563 67	\$1,292,644 84	\$111,081 17	.....
Freight “.....	2,934,504 15	3,575,915 56	641,411 41	.....
Mail “.....	36,743 15	34,848 48	.....	\$1,894 67
Express “.....	124,701 11	81,864 83	.....	42,836 28
Rents, &c.....	64,540 63	71,315 27	6,774 64	.....
Interest on loans, &c.....	105,941 68	176,908 77	70,967 09	.....
Total expenses.....	\$4,451,974 29	\$5,281,979 75	\$780,005 46	.....
Operating expenses.....	2,020,193 07	2,366,679 18	346,486 06	.....
Earnings less expenses.....	\$2,431,781 22	\$2,915,000 62	\$483,219 40	.....

Which remainder was disposed of as follows:

	1867-69.	1868-69.	Increase.	Decrease.
Legal expenses.....	\$23,593 95	\$6,921 14	\$.....	\$16,672 81
Taxes on real estates.....	107,929 89	118,153 85	10,223 96	.....
U. S. Government tax.....	32,110 54	32,426 49	315 95	.....
Rent of P. & B. V. R. R.....	125,600 07	125,000 00	.....	600 07
Interest on bonds.....	276,140 00	607,551 79	331,411 79	.....
Dividends including tax....	957,821 10	1,469,968 50	512,147 40	.....
Surplus to credit.....	609,098 74	445,978 83	.....	163,119 91

Included in the operating expenses are the following renewals and repairs of rail:

	1867-69.	1868-69.	Increase.	Decrease.
Track re-laid with new iron.....	14.50m.	14.55m.	0.05m.	.....
“ “ re-rolled iron.....	20.00	18.00	.....	2.00m.
“ “ with steel.....	0.58	18.00	17.42	.....
Total renewals.....	35.08m.	42.55m.	7.47m.	.....
Rails repaired.....	28,508	21,457	.....	7,051

GENERAL ACCOUNT—LEDGER BALANCES.

The financial condition of the Company, as of April 1, 1868 and 1869

shown on the balance-sheets of date, is epitomized in the following statement:

	1868.	1869.	Increase.	Decrease.
Capital stock.....	\$14,000 00 00	\$14,000,000 00	\$	\$
C. & R. I. mortgage bonds.....	1,897,000 00	1,897,000 00	.....	.....
C. & R. I. income bonds.....	42,000 00	29,000 00	.....	13,000 00
C. & R. I. & Pacific mortgage sinking fund bonds.....	6,833,000 00	7,875,000 00	542,000 00	.....
C. & R. I. & Pacific RR. Co of Iowa.....	591,852 75	49,85 75	.....	540,000 00
Railroad Bridge Company.....	100,000 00	60,000 00	.....	40,000 00
Other credit balances.....	46,263 57	7,712 72	.....	38,550 85
Balance of income account.....	1,551,665 17	1,597,244 02	445,578 85	.....
Total	\$24,160,781 49	\$24,515,809 49	\$355,028 00	\$

Against which the following accounts are charged:

Cost of road & equipment.....	\$17,351,433 47	\$22,444,242 50	\$5,192,809 03	\$
Trusts for guar. bonds.....	74,800 26	61,800 03	.....	12,920 23
B. E. & W. Committee.....	1,096 59	1,086 59	.....	.....
Trustees L. G. Division.....	17,066 87	19,064 22	2,017 35	.....
Corn Ex. Bank, N. Y.....	1,755,365 16	.....	.....	1,755,365 16
Union Nat. Bk, Chicago.....	1,500,000 00	.....	.....	1,500,000 00
Bond -c't o special Res., June 7, 1867.	25,563 50	18,061 87	.....	7,501 63
C. & R. I. & P. coup. acct.....	5,419 80	.....	.....	5,419 80
Bills receivable.....	2,731,870 00	2,49,970 00	.....	2,431,500 00
Cash in hands of Assistant Treasurer...	.....	1,177,045 03	1,177,045 03	.....
Cash in hands Cashier.....	578,675 84	505,009 25	.....	73,666 59
Total	\$24,160,781 49	\$24,515,809 49	\$355,028 00	\$...

The mortgage bonds of the late Chicago and Rock Island Railroad Company (\$1,397,000) will fall due July 10, 1870. The bonds of the Railroad Bridge Company, guaranteed by the railroad company (\$400,000), will become due Jan. 1, 1870. Both these liabilities will be paid or exchanged for Sinking Fund bonds.

A contract has been entered into between the company and United States Government for the erection of a bridge between Rock Island and Davenport, with a view of changing the location across the island of Rock Island to accommodate the government works. The company's proportion of the cost will be \$600,000, of which \$300,000 will be required during the year 1869-70.

GENERAL REVIEW FOR TEN YEARS.

In the following table we give the cost of the road and equipment (estimating the cost of the Peoria and Bureau Valley Railroad at \$2,100,000), and the earnings, expenses and profits from operations yearly for the ten years ending March 31, 1869:

Fiscal Years	Miles of Road Open	Gross Earnings.	Ordinary Operating Expenses.	Profits or Nett Earnings.	Inter't on Funded Debt.	Dividend paid on Stock.	Balance after Lease Taxes, &c.
1859-60.....	228.4	\$1,013,934	\$622,661	\$471,273	\$97,700	\$167,597	\$120,184
1860-61.....	238.4	1,164,013	78,004	455,961	97,90	.....	41,481
1861-62.....	228.4	*1,054,04	*521,337	521,417	*97,700	168,090	82,866
1862-63.....	228.4	1,529,141	800,997	728,154	100,183	228,239	74,726
1863-64.....	228.4	2,143,875	1,010,462	1,103,413	102,600	343,438	382,112
1864-65.....	228.4	3,359,390	1,467,651	1,891,709	102,582	375,04	1,056,250
1865-66.....	228.4	3,154,235	1,711,454	1,442,81	101,585	631,579	381,682
1866-67.....	410.0	3,571,032	1,877,852	1,706,181	296,132	820,879	36,999
1867-68.....	414.0	4,451,974	2,201,122	2,231,732	576,40	957,811	600,187
1868-69.....	526.0	5,231,960	2,366,679	2,865,301	637,552	1,469,968	445,579

MARKET VALUE OF STOCK AT NEW YORK.

The course of the company's stock at the New York Stock Board monthly for the five years 1864-69 inclusive is shown in the annexed abstract from the published returns :

Months.	1864-5.	1865-6.	1866-7.	1867-8.	1868-9.
April.....	110 @ 134	81½ @ 113	110 @ 123½	85½ @ 93½	85 @ 97
May	105 @ 119	91 @ 105	90 @ 9½	86½ @ 92½	91½ @ 9½
June ..	110 @ 17½	93 @ 103	91 @ 95½	87½ @ 95½	96½ @ 105½
July.....	107½ @ 114	101½ @ 110½	94½ @ 103	95½ @ 104	101 @ 110½
August.....	109½ @ 114½	113 @ 109	102½ @ 110	99½ @ 103½	97½ @ 112½
September.....	96 @ 109½	108½ @ 113½	108½ @ 112½	99 @ 115	10½ @ 104½
October	85½ @ 97	105 @ 113½	106 @ 111½	91 @ 101	112 @ 104½
November.....	99 @ 110	104½ @ 110½	100 @ 112½	94½ @ 97½	10 @ 105½
December	101½ @ 103½	105½ @ 108½	102 @ 106½	101 @ 99½	105½ @ 119
January	82½ @ 105½	9½ @ 109½	91 @ 104½	93½ @ 100½	117½ @ 115½
February.....	80½ @ 98½	91 @ 107	95 @ 101½	96 @ 101½	120½ @ 111
March.....	85½ @ 100	104½ @ 113½	92½ @ 98½	91½ @ 93½	121½ @ 111
Year.....	84½ @ 134	81½ @ 113½	90 @ 123½	85½ @ 105	85 @ 135

Former articles relating to this company were published in the CHRONICLE of June 23, 1866 ; June 22, 1867, and August 29, 1868.

THE USURY PROSECUTIONS.

All the brokers and Wall street bankers who have been prosecuted under the Usury Law of this State have pleaded guilty and await sentence. As these are, we believe, the first prosecutions under a law passed more than thirty years ago, we hope that the court will use lenity. The extreme punishment allowed by law is three months imprisonment and a fine of one thousand dollars. The judge may remit the imprisonment and reduce the fine as he pleases. It seems to be generally believed that sentence may be held in suspense. These trials have produced a good deal of excitement in certain circles in Wall street. And the most noteworthy fact about the prosecution is that it stopped the high rates of interest, so that the mercantile community have been able ever since to obtain the usual accommodation from the banks. It is this circumstance which has caused the usury law to be regarded with more general favor than formerly in New York.

The spirit of modern legislation is adverse to attempts to govern by law the price of commodities or the rates of loans. Supply and demand are believed to be better regulators of contracts and prices than the wisest human restrictions and the best human laws. Accordingly the usury law of this State, although it was passed in 1837, has never, we believe, been put in force until now. Still it has been kept on the statute-book, and the numerous attempts to repeal it have always miscarried. These attempts, we understand, are to be repeated next winter at Albany, with what success remains to be seen. For the present the law is more popular

than it has ever been before; for to it the people ascribe in part their relief from those fierce, prolonged spasms in the money market which suspended the collections of our mercantile houses, and made it impossible for almost everybody to get in his debts. The debt-paying machinery of the country was deranged and controlled by cliques and speculators, who, to fight their own battles, succeeded in throwing into confusion the financial arrangements of this metropolis, with great consequent damage to the business of the whole country.

It has been urged, and we believe with justice, that some of the persons who have been prosecuted were mere agents and had nothing to do except as accessories with the schemes of the tight-money ring. This extenuation may properly be pleaded as a ground for inflicting a lighter punishment. But the favor has been asked for on other grounds. And it would not be easy for any judge to discriminate between the various degrees in which each of the convicted brokers is implicated.

The popular approval of these prosecutions must not be taken as evidence that any severe penalties are desired. What the people wished to accomplish was first to stop the monetary spasms and to relax the *tourniquet* with which the cliques had strangled business and arrested the vital functions of our internal commerce. The second object was to prevent a repetition of such a conspiracy. Never before in this city has so bold, so rich, so adroit a clique been formed. It was small, compact, but as usual has failed in its chief objects, which were to break down the prices of government stocks and other securities. This depression of stocks was to be produced as a result of monetary stringency. Stocks, however, were sustained, and the clique found that its profits went to the money-lenders, many of whom fell gladly into the plan of charging high rates for money and lent themselves in various ways to the projects of the speculators. There were thus implicated in the trouble several independent parties all united in the single object of tightening the money-market. Some had the ulterior aim of putting down the price of government bonds, others of depressing the railroads, while others again had no other aim than to lend their funds at the highest possible rate of interest, regardless of the mischief and commotion they were producing by this concerted attack on the money-market. It might be a useful task to detail the methods and devices by which these adroit and skilful assaults on the money-market were made, and it would at any rate be gratifying if we could show that the profits of the campaign passed over the guilty parties, and that the chief conspirators were no more successful than they deserved to be in making gain by their manœuvres. This circumstance, however, would not be sufficient to prevent similar enterprises in the future. Accordingly, the popular desire seems to be, that if, as is probable,

the offenders who have just been prosecuted and await the sentence of the laws could be let off with a slight punishment by the court, there should be a distinct understanding that in future the law will be put in force if another combination or conspiracy to produce a financial spasm should render it needful.

Such, we believe, is the public desire, and if the usury law should thus be rendered more stringent and should become a more prominent part of our State legislation, the cliques have the satisfaction of knowing that it is the work of their own hands and the fruit of their own devices.

THE TEHUANTEPEC ROUTE.*

The proposed railroad across the Isthmus of Tehuantepec, the construction of which has already been undertaken by a company of American capitalists, is an enterprise of the greatest importance to the commercial interests of the country. For several years the preparations for this work have been quietly progressing, under the direction of some of our leading capitalists, and everything is now ready for the immediate construction of railroad, carriage road, and telegraphic communication from ocean to ocean, across the Isthmus; Mr. Marshall O. Roberts, of this city, having, as we are informed, signed the company's bond, as surety, in the penalty of \$100,000. in gold, for the construction, within eighteen months, of a carriage road and telegraph line along the entire line of the proposed railway, to assist in building the latter. We are also informed that the road itself is to be begun within two years, and completed within five; the work to progress at the rate of fifteen leagues, or one third of its entire length, each year. From the elaborate and elegant octavo volume of 209 pages, prepared under the able direction of Mr. Simon Stevens, President of the Company, we learn many facts regarding the Isthmus of Tehuantepec, as well as of the proposed railroad and its advantages, that are of great importance and interest. The volume, indeed, is wholly without a rival in the literature of the great material enterprises which characterize the present century; presenting not only the resources and prospects of the company, and the results to be accomplished by the successful completion of the work they have undertaken, but a fund of useful and valuable information for the general reader as well, which would insure for it a careful perusal by the intelligent reading public throughout the country. The following summary of the contents of this comprehensive volume will doubtless be found of much interest by many who cannot readily obtain it.

* *The Tehuantepec Railway: Its Location, Features and Advantages*, under the La Sore Grant of 1863. D. Appleton & Co.

The history of the present enterprise is briefly told, although a glance at history will show that the project of opening inter-oceanic communication across the Isthmus of Tehuantepec was first proposed by the daring adventurer, Hernando Cortez, as early as 1529. It was not until more than three centuries later, however, that the Mexican Government, on the 7th of October, 1867, made a concession for seventy years, to a company organized by Don Emilio La Sere, of the right to open inter-oceanic communication across the Isthmus of Tehuantepec by railroad, carriage-road and telegraph. This concession also grants large tracts of valuable lands to the company which, together with the proposed road, is declared free from taxation or imposts of any kind by the Mexican Government, except the payment of twelve cents for each through passenger, and eight per cent of the net profits whenever dividends to stockholders shall be declared. This grant was confirmed by the Congress of the Mexican Republic, with a few modifications, on the 29th of December, 1868, approved by the President, January 2, 1869, and duly officially published. Pursuant to said grant, Don Emilio La Sere formed the Tehuantepec Railway Company, composed wholly of citizens of the United States; and this company, in November, 1868, obtained a charter from the State of Vermont, incorporating it with a capital of \$18,000,000, divided into shares of \$100 each. The Company has received from La Sere the assignment of the grant, as intended by the Government of Mexico, and entered into a bond to that Government, in the sum of one hundred thousand dollars, for the construction of the road in compliance with the terms of the grant.

In connection with the proposed railroad, the enterprise contemplates the establishment of such lines of steam and sailing vessels as may be found necessary to meet the demands of international commercial intercourse. On the Atlantic side of the Isthmus the road will begin at Minatitlan, a town situated on the Goatzacoalcos River, twenty miles from the Gulf of Mexico. This point is at all times and seasons accessible to sea-going steamers, and, with the improvements to be made and the light-houses to be built, there will be no difficulties to be encountered by vessels entering the river. From Minatitlan the line takes a direction almost due south to the Pacific ocean, which it reaches at the port of Ventosa, distant 162 miles from the northern terminus. The bay at the mouth of the Tehuantepec River was for a long time regarded as the most convenient terminus; but subsequent investigations have revealed the fact that even a better harbor can be obtained at Salina Cruz, about three miles westward. From the interior, the approach to the shore is easy, and the topographical features such as to make the site suitable for the erection of all necessary buildings, or even the growth of a new city.

The anchorage is excellent: the shore being so bold that from 18 to 28 feet of water can be obtained at a very short distance. Nature has done much to prepare the way for the construction of the necessary improvements, which can be erected at a very reasonable cost.

Unlike the deadly and pestilential swamps of Panama, the country along the line of the proposed road includes some of the loveliest valleys, the most fertile stretches of high table land and luxuriantly productive "bottoms" to be found on the American Continent. It is, to the very highest degree, available for agricultural purposes, and abounds in gold and silver "placer" diggings, and petroleum springs. The land granted to the Company comprises a belt twelve miles in width extending along the entire length of the road; in conceding which the Government of Mexico has not only given a magnificent proof of its enlightened interest in this enterprise, but has endowed the corporation with a property which needs only to be truthfully described to add materially to their financial position; for each alternate *league* of the public lands on either side of the road, or on a strip of territory two leagues in width, is permanently conveyed to the corporation, in fee simple. As the road is to be, in round numbers, fifty leagues in length, a rough calculation reveals the fact that a landed estate of great value has been added to the other productive resources of the Tehuantepec enterprise. The lands abound in India-rubber and mahogany trees, dyewoods of the most valuable kinds, medicinal plants of great commercial value, native hemp or *ixtle* in unlimited quantities, cocoa, cochineal, sarsaparilla and numberless other plants indigenous to the country. The soil and climate are admirably adapted to the successful cultivation of coffee, indigo, tobacco, rice, pepper and maize. The coffee of this region is only second in quality to Java. The forests may be made to yield unbounded supplies of tar, pitch, turpentine and rosin. All tropical fruits, such as oranges, lemons, pineapples, bananas, etc., are abundant; and even the most careless and inefficient cultivation stimulates them to a most luxuriant production. So that, whether as primeval wilderness or as cleared and cultivated land, the domain of the Tehuantepec Railway Company may be made immediately productive, and a local tariff built up in all respects sufficient to warrant the construction of a much more expensive line. And this is certainly a most important feature in the prospects of any enterprise, as affording a basis for safe operations, which is not always obtained even in more densely populated regions. It is with a view to the development of the rare richness of this favored province, quite as much for the inter-oceanic transit, that the Mexican Government has made so munificent a donation; and it is but right to add that the great landed proprietors, whose estates lie in the neighborhood, seem to be equally alive with the government to the

important benefits which are to accrue to them from the construction of the road, and manifest a disposition to extend the utmost liberality to its managers. The importance of this fact will be appreciated when it is considered how largely these men, who are in their way very much like feudal lords, can influence the supply of labor and assist in providing the many requirements of the employes of the Company. In speaking of the immediate resources of the Tehuantepec region, the mines may be for the present left out of the account, though no doubt exists of the auriferous wealth of this portion of the Isthmus; but mention may be made of the fact that unsurpassed facilities exist for the manufacture of salt and lime—the former of which already engages the attention of a portion of the present inhabitants.

Although lying within the limits of the equatorial belt, the climate of the Isthmus is agreeable and salubrious. The country is well drained and dry, with an abundance of swift flowing streams, and, being for the most part an elevated plateau or table land, is traversed by constant winds sweeping from ocean to ocean. It is said that the surveying expeditions of this and other enterprises on this line, though very much exposed and compelled to sleep for the most part in the open air, reported fewer cases of sickness than would have been deemed inevitable in any similar circumstances in any of the States of this country. It will therefore be seen that the climate of this portion of the Isthmus presents no obstacles in the way of the enterprise, while it exhibits many advantages over that of Panama.

There are but few natural obstacles in the way of constructing the proposed road. The "mountainous region" occupies a strip of territory with an averaged width of about forty miles, in the centre of the Isthmus, and may be said to extend from the Jaltepec river, on the north, to within twenty-five miles of the Pacific coast. Here, in the elevated ridges and spurs of the Cordilleras, are the only important obstacles to railway construction; but the continuity of the mountain chain is very nearly broken by a pass which lies nearly in the line of shortest communication between the two oceans. It is as if nature had providentially cared for such an exigency as the present proposed route; for the depression is so marked that the highest grade to the mile at any part of the line is but little more than sixty feet. On the Pacific side the gap or opening is narrow, and the descent quite rapid, to a series of table lands, which incline slowly to the coast at about fifteen or twenty feet to the mile. The surface is remarkably smooth and even, and their gentle slope is admirably adapted to railroad purposes. The amount of tunneling which will be required, even in the mountain region, is comparatively small, and none of the rivers present unusual difficulties in the way of bridging. The summit of the road will

be only 793 feet above the level of high tide, and the severest grade will be sixty feet to the mile, and this but for some twelve or fifteen miles, while for the rest of the distance the average grade will be less than twenty-five feet to the mile. The gauge adopted is four feet eight and a half inches, that having been found by experience to be the most economical in working as well as in first cost. The preliminary carriage-road will have the same general location as the railroad, but will follow a slightly different course, making its total length 200 miles. It is to have a carriage-way fifteen feet wide, and the timber on each side is to be cleared to the width of fifty feet. Ten substantial truss bridges will be required for it, beside a number of smaller bridges and culverts. The cost of the road will be about nine millions, according to the estimates of the engineers in the employ of the company. It will require \$160,000 for the carriage-road; the grading, bridging and preparation of the road bed for the railroad will take \$6,000,000; the superstructure, \$1,500,000; the equipment, \$400,000; and the other expenses—engineering, surveying station-houses and similar things—a little less than \$1,000,000, making the total amount of capital necessary to be raised \$8,900,000, or about \$55,000 per mile for the 162 miles.

Of the advantages of the work when completed it is almost impossible to speak in brief. A glance at the map of Mexico will show that the geographical position of Tehuantepec will secure to the new route the entire west coast freightage, including the almost entirely, as yet, undeveloped commerce of the rich provinces of Western Mexico, and that of part of East California, Arizona, New Mexico, Nevada, etc., which cannot be transported overland to the Atlantic shores, but will find its future way to the sea through the Colorado river and the Gulf of California; as well as the already established trade of California, Oregon and the extreme Northwest, which must eventually seek its passage across the Pacific on the line of the North Pacific current. This includes the Japanese and the best part of the Chinese freightage. The Australian trade and that part of the Chinese, East Indian and Island commerce which is compelled to take advantage of the South Pacific trade-winds and currents, will find little to choose between Panama and Tehuantepec, if it has a European destination; but, if consigned to any port of the United States, it cannot fail to find a marked advantage in seeking the more northerly transit, especially as the winter passages, even of the present New York and Panama line of steamers, are frequently made to the westward of the Antilles. As Mr. Stevens says in the volume before us:

“The Tehuantepec route is, of all the routes proposed from the Atlantic to the Pacific Ocean, the true American route. It is the route which is entirely commanded by our possessions on the Gulf of Mexico, and not

domineered over by any British possessions whatever. In case of a war with Great Britain, our vessels bound to Chagres would be obliged to sail almost within gunshot of the British forts at Jamaica. The Mississippi river being the great artery of the West, and the Mississippi Valley destined to be the great reservoir of the population, enterprise, and nationality of the United States, we are at all times better prepared to defend the Isthmus of Tehuantepec than any other position on this side of our continent south of New Orleans."

The project of an inter-oceanic ship canal across the Isthmus is said to form a part of the plan of the Company proposing to build the railroad and carriage-way; but in the volume before us Mr. Stevens expresses the belief that such a work will not be undertaken until the demands of our commerce renders it indispensably necessary. Such a work, it is estimated, would cost about \$325,000,000. For all present purposes, however, the railroad will serve, as its carrying capacity will be found susceptible of almost indefinite expansion. Still, looking to that far future in which a ship canal across the Isthmus may become a practicable enterprise financially, the Isthmus of Tehuantepec possesses topographical features which will certainly attract to it the investigating eyes of scientific explorers for the most available route.

Considered simply as a scheme for the improvement of the facilities of intercourse between the Atlantic and Pacific coasts, the people of the United States have the deepest interest in the completion of the railroad, and the far-sighted capitalists under whose direction the plan has matured into a purpose deserve our heartiest sympathy and most earnest good wishes for the success of their enterprise.

THE PUBLIC DEBT STATEMENT.

The July schedule of the public debt, which appears elsewhere, demands very little special notice except as it shows as usual a reduction of the principal of the debt. The receipts from internal revenue have been swelled of late by the payment of the annual taxes which are very wisely made due in the summer, in order that the currency and the money market may be less perturbed by the influx of so large an aggregate of greenbacks into the Treasury. The income tax alone will amount to some 40 millions, and if the payment of so large a sum within a few days were not allotted to that period of the year when there is a great accumulation of idle currency in the financial centres, our clumsy and inelastic monetary machinery would receive a succession of jerks and

spasms which must cause no small trouble in the money market and in the movements of business. It was on this account that the time of paying the income tax was changed a couple of years ago from September, when business is brisk and greenbacks cannot be spared, to July, when business is dull and greenbacks can be absorbed into the Treasury with less risk from the temporary depletion of the channels of the circulation. Still this year is exceptional, and in consequence of the feverish and sensitive condition to which the money market has been reduced by the spasms and unprecedented strain of the past six months, the locking up of so large an amount of currency as is usual would have been attended with peril. Accordingly the special case had to be met by a special remedy, and Mr. Boutwell hit upon the expedient of buying up the bonds of the government. In payment for these bonds he has poured out the currency from the Treasury vaults as fast as it accumulated there, and when Congress meets he will seek instructions as to what is to be done with the 40 millions or more of Five-Twenties in which the surplus revenues have been thus invested. It is perhaps premature for us to discuss now the probable action of Congress. But various opinions are held in Wall street as to what should be done, and a lively contest of opinion will doubtless be provoked. There are indeed some persons who contend that the Secretary has exceeded his legal powers in making these purchases. We apprehend however that it will not be difficult to find law for everything that has been done, and Mr. Boutwell is too shrewd and has too enlightened advisers to be caught tripping. Moreover the necessity of the case justified some exceptional treatment, and the success of Mr. Boutwell's policy is a strong ground of defence. It has been urged that the Treasury purchases of bonds have caused a speculative advance in their price. And no doubt a part of the rapid rise in the market value of government securities is due to this cause. But perhaps too much influence is attributed thereto, and before Congress meets we shall have an opportunity of testing this point by the pertinacity with which the advance is sustained.

In presence of this gratifying appreciation of our National securities which are nominally worth to-day 250 millions more than at the beginning of the year, there has been a great deal said about the reduction of the rate of interest. It has been even affirmed that some Frankfort capitalists have offered to negotiate a loan at five per cent for 300 millions of dollars. Of course this is mere sensational gossip, for at Frankfort to-day our six per cent bonds are offered at eleven or twelve per cent below par. It is therefore absurd to say that while they can buy our six per cents at 89 or less, they will give us 100 for our five per cents, or even for our four and a half per cents. Our bonds certainly bear too high a rate of interest.

We ought to be able to reduce that rate and thus to relieve ourselves of part of the pressure of the hordes of taxation. But it may well be doubted whether this reduction and this relief are to be secured by any large loan negotiated in Europe. However this may be, the question of lowering the rate of interest is assuming more and more importance, and the pressure which will be exerted in Congress for relief from internal taxation will render it a necessity that some change should be made. It will be remembered that our debt was funded in Five-Twenties with the special purpose of securing its controllability, so that at any time after the year 1867 there might be an adequate proportion of the public debt which was subject to be paid off at par. By this expedient we expected to have the option of using our surplus in paying off our debt by degrees without being required to pay a premium as we had to do when we paid off our debt more than a quarter of a century ago; and secondly we expected to take advantage of the improving credit of the country and pay off old loans with the proceeds of new loans obtained at lower rates of interest. These objects so far have not been secured. The agitation of repudiation, with other causes have been adverse to the public credit, and instead of lessening since the war we have been rapidly increasing that burden. To illustrate this point we have completed the following table showing the various rates of interest which we paid on our debt, and the proportion of the principal which stood at each rate in each year since 1860:

July 1860	Coin interest—		Currency interest—			No Interest.	Miscella- neous.
	5 p. cent.	5 p. cent.	7 30 p. c.	6 p. cent.	3 p. cent.		
Aug. 1860	\$21,513,092	\$23,461,000	\$.....	\$.....	\$.....	\$.....	\$19,795,611
1861	40,041,948	39,428,000	.....	.....	.....	.....	23,464,712
1862	100,751,614	80,483,000	122,536,550	.....	.....	14	110,477,218
1863	266,971,343	80,483,000	139,970,500	.....	.....	40	886,849,652
1864	661,419,715	102,508,750	109,356,150	15,000,000	.....	4	889,332,326
1865	906,870,012	199,792,100	890,000,000	213,379,170	.....	4	247,904,195
1866	1,044,387,342	198,241,100	708,209,800	162,034,140	.....	4	123,835,680
1867	1,480,475,342	198,481,350	461,233,425	123,731,430	.....	4	15,635,816
1868	1,566,763,400	221,589,400	.....	53,314,890	62,000,000	4	18,099,176
1869	1,306,341,300	221,589,300	.....	68,638,820	66,120,000	4	5,071,854

Included in the above currency six per cents are railroad bonds, and in the "no interest" column gold certificates to the following amounts. Under the head miscellaneous we have grouped together treasury notes, temporary loans and over due securities.

	R. R. Bonds.	Gold Certificates.
1861	.....	.....
1862	1,238,000	.....
1863	6,042,000	10,103,180
1864	15,402,000	19,457,900
1865	32,210,000	23,413,000
1866	58,638,820	20,459,640

The chief object of this table is to show that, so far as regards the pressure of the interest, we have had no relief since the war, no change from a higher to a lower rate of interest. It is true our bonds have

risen in market value. Five-twenties are now worth in Frankfort or in London twice as much as the quoted rates of the period of greatest depression during the war. But the whole of the gain arising out of this improved credit has gone into the pockets of the speculators, the bankers and their customers; while very little, if any, of the gain has accrued to the National Treasury or has been available for the lowering of taxation and the relief of the burdens of the people. In the pressure of hard times and heavy taxes, it is the contemplation of such facts as these which has produced the outcry for a lower rate of interest on the debt—a demand which, in some way or other, will have to be satisfied.

RAILROAD ITEMS.

CHICAGO, BURLINGTON AND QUINCY RAILROAD.—The Annual Report for the year ending April 30, 1869, shows the following:

The gross earnings of the railroad for the year have been as follows:

From Passengers.....	\$1,652,308 61	
Freight	4,762,854 59	
Miscellaneous.....	294,626 28	\$6,812,099 18
Interest and exchange.....		31,761 14

Total.....		\$6,846,325 36
The operating expenses of all kinds, including taxes, both State and National, and rent of tracks, and cost of transfers have been.....		\$1,568,622 14

Leaving applicable for interest and dividends during the year ...		\$3,177,903 22
The balance to credit of income account at the close of last year was.....		491,561 16

Total ...		\$3,669,464 38
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There have been paid during the year—

Interest on bonds...	\$389,547 44	
Dividend No. 16.....	677,195 00	
Dividend No. 17.....	677,195 00	
Stock dividend.....	1,254,890 00	
Tax on dividends.	120,022 25	
152 bonds for sinking fund....	161,200 00	
		\$3,169,619 39

Leaving a balance to credit of income account at the close of the year of	500,252 22	
Exclusive of amount paid into sinking fund, which at this time is	1,026,761 17	

If the amount unpaid into this fund be a proper credit to income account, that account stands at.....		\$1,537,013 39
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The gross earnings of the road have been in excess of the previous year by \$658,161 98, notwithstanding the somewhat diminished rates of fare and freight.

After referring to the various improvements, and new connections made necessary by the rapid progress of railroads and civilization in the West, the President remarks: "To provide the requisite means for these purposes, they propose to distribute stock among the stockholders, at its par value, to the extent of twenty per cent of the capital stock of the company, as being at once the easiest and, to them, most agreeable mode of raising the money."

The treasurer's report shows the following:

GENERAL ACCOUNT—DEBIT.

Capital stock.....	\$22,825,025 00
Funded debt.....	4,794,250 00
Due on mortgage of Northern Cross Railroad	270,000 00
Operating accounts unpaid.....	348,600 76
Due Chairman of Board for advances.....	1,226,207 13
Sinking fund.....	1,026,761 17
Balance to credit of income account.....	500,252 22
	<u>\$21,990,194 30</u>

CREDIT.	
Cost of construction before May, 1868.....	\$14,507,844 47
Cost of equipment before May, 1868.....	3,205 407 62
Due on Northern Cross Railroad	270,000 00
Cost of new construction during the year.....	1,287,705 60
Cost of equipment during the year.....	644,811 72
Material on hand for future operations.....	490,923 07
Pullman Palace Car Company stock.....	66,200 00
Steam Ferry, President and other boats.....	41,014 01
Burlington depot, ground and accreions.....	815,948 42
Chicago teams for transferring freight	4,500 00
Monthly traffic accounts and bills receivable.....	257,108 43
Post Office Department.....	8,935 40
Burlington and Missouri River Railroad pref. stock, 7 instalms.	412,737 64
Kankakee & St. Paul Railroad Company.....	\$500,401 68
Less amount received on bonds.....	413,781 06
	86,620 62
American Central Railroad construction account.....	\$926,032 99
Interest on bonds.....	11,838 79
	\$937,866 68
Less received on sale of bonds.....	639,158 13
	298,708 55
Due from agents and connecting roads.....	115,983 97
Deposits in New York and treasury	81,831 73
Total.....	\$21,999,134 80

SINKING FUND.

The sinking fund has now \$77,000 Chicago and Aurora 2d mortgage bonds; \$623,000 Chicago, Burlington & Quincy inconvertible 8 per cent bonds; \$11,000 Chicago Burlington & Quincy convertible 8 per cent bonds; \$151,000 Chicago, Burlington & Quincy trust mortgage 7 per cent bonds, and \$129,000 Chicago, Burlington & Quincy trust mortgage 8 per cent bonds; a total of \$991,000, purchased at a cost of \$1,035,761 13.

EXPORTS OF IRON RAILS FROM GREAT BRITAIN.—Messrs. S. W. Hopkins & Co., Railroad Iron and Steel Rail Merchants, Nos. 69 and 71 Broadway, N. Y., and 58 Old Broad street, London, furnish the following official statement of the export of iron rails from Great Britain:

FIVE MONTHS ENDING MAY 31ST:			
	1867.	1868.	1869.
	Tons.	Tons.	Tons.
AMERICA.			
United States	87,299	112,605	141,634
British	2,813	5,716	12,992
Cuba	937	1,612	319
Brazil	773	1,820	518
Chile	2,640	404	1,570
Peru.....	163	770	9,306
EUROPE.			
Russia	17,863	12,980	52,714
Sweden.....	350	413	2,890
Prussia	4,341	3,611	2,738
Russia, Croatia and Dalmatia .....	.....	3,800	12,975
France	58	44	2,770
Holland	6,196	14,661	4,880
Spain and Canaries.....	4,328	3,777	5,678
ASIA.			
British India	45,151	42,818	80,182
Australia.....	6,827	4,088	9,901
AFRICA.			
Egypt	8,541	10,512	8,711
Other countries	11,037	14,322	25,492
Total.....	199,287	233,769	320,475

—The following is a statement of the amount of interest due Virginia by the various railroad corporations:

Orange & Alexandria.....	\$17,500 00
Richmond & Danville.....	42,000 00
Virginia Central.....	6,500 00
North-side	252,000 00
Virginia & Tennessee.....	420,000 00
Norfolk & Petersburg	45,85 18
Total.....	\$843,855 18

CANADIAN RAILWAY RETURNS.—The earnings of the railways of Canada for the month of May, 1868 and 1869, were as follows :

	1872.	1868.
Great Western.....	\$244,658	\$291,992
Grand trunk ..	736,917	644,724
London and Port Stanley.....	3,371	3,942
Welland	2,201	10,772
Northern.....	81,906	74,671
Brockville and Ottawa.....	19,344	16,558
St. Lawrence and Ottawa	14,683	10,263
St. Lawrence and Industry	939	1,027
New Brunswick and Canada ..	12,321	11,273
European and North American.....	17,190	11,748

—The annual statement of the Michigan Central Railroad for the year ending May 31, 1869, shows the following results :

EARNINGS.	
From passengers.....	\$1,795,806 11
From freight.....	2,725, 00 48
From miscellaneous.....	155,296 30
	<u>\$4,716,292 89</u>
The ordinary expenses of operating, including local taxation and taxes on dividend, have been.....	\$2,693,278 72
Paid in sinking fund.....	84,540 00
	<u>2,052,773 72</u>
Leaving for interest and dividends.....	1,663,519 17
Interest and exchange paid.....	646,170 62
	<u>\$1,017,348 55</u>

The proper net earnings above those of the last year have been \$115,235, and the excess of gross earnings, \$245,000. The amount of the sinking fund from the current earnings is now \$1,451,599 85. There is outstanding no floating debt.

The funded debt now stands at.....	\$5,153,498 57
Less amount paid into sinking fund.....	1,851,599 85
	<u>\$3,301,898 72</u>
Leaving the net bonded debt at.....	11,197,545 00
The capital stock amounts to.....	\$14,891,237 54

The bonded debt has been decreased during the year by conversion of bonds into stock by the amount of \$1,815,500, and the stock of the Company has been correspondingly increased, and has also been further enlarged by a stock dividend during the year of ten per cent, amounting to \$904,400.

—The Burlington *Hawkeye* gives as follows the gross earnings of railroads of Iowa for the year 1868, as gathered from books in the State Treasurer's office :

Railroads.	Gross Earnings.
Chicago & Northwestern.....	\$3,371,024 28
Dubuque & Sioux City.....	970,136 13
Dubuque & Southwestern.....	1,245,772 02
Cedar Falls & Minnesota.....	53,485 57
Sioux City & Pacific.....	1,700,000 00
Des Moines Valley.....	710,240 94
Chicago, Rock Island & Pacific.....	1,451,500 00
Burlington & Missouri.....	841,632 24
Council Bluffs & St. Joe	153,544 82
McGregor Great Western	422,500 00
Keokuk & St. Paul	71,400 00
*Dubuque & Dubuque Bridge Co.....	27,500 00
†Dubuque Street Railroad.....	10,700 00
Total ..	<u>\$8,122,197 56</u>

RAILROADS IN GEORGIA.—Railroad enterprise is active in Georgia. The road from Milledgeville to Macon, completing the Augusta and Macon Railroad, will be built immediately. Arrangements have also been made to build the road from Augusta to Port Royal S. C. The Georgia Railroad Company have agreed to indorse the

* In operation but a few days

† In operation but a portion of the year.

bonds of the road. The survey of the long-talked of Northeastern Railroad, from Athens to Clayton, in Rayburn county, connecting with the Tennessee roads, and making a continuous railroad from Augusta to Knoxville, has been ordered by the Georgia Railroad. The Macon and Brunswick Railroad will be soon completed, and the extension of the Southwestern Railroad to the Florida line is also under way. The feud between the Augusta and Columbia and the South Carolina Railroad has been settled, and the trains of both companies now come and go between Columbia, Charleston and Augusta.

Negotiations have been in progress for some time for the purchase of the Southwestern Railroad and branches by the Central Railroad and Banking Company of Georgia. The *Savannah Republican* says that the bargain and transfer have been perfected, the entire interests of the Southwestern road having passed into the possession of the Central Company on the 24th ult.

The Frederick and Pennsylvania line Railroad Company has issued \$27,000 worth of coupon corporation bonds in sums of \$200 \$500 and \$1000, bearing interest at the rate of 6 per cent per annum in currency, payable on the 1st of June and December. The company has endorsed these bonds with a gold bearing interest—or its equivalent—of 6 per cent, and they are exempt from corporation and county tax.

RAILROADS IN MINNESOTA.—A letter in the *Chicago Tribune* gives some interesting information about railroads in Minnesota. At the present time nearly four thousand laborers are at work on the railroads in that State. One thousand men have just been taken by propeller from the lower lakes and transferred to the railroad now building from the head of Lake Superior to the Mississippi River at St. Paul.

On the St. Paul and Pacific Railroad, ninety miles west of Minneapolis are under contract. The laborers come from Sweden and Germany. Agents of the Company have circulated in those countries of Europe descriptions of the choice lands in the Big Woods and the Kandiyohi prairies beyond that belt of forest; by similar personal influence, parties of emigrants have been billeted from their native villages to the particular fraction of land destined to be a Minnesota homestead; and the protection of the Company is not withdrawn for a moment of the long journey. Even after arrival in Minnesota the Company's buildings are arranged for their temporary occupation, while more permanent shelter is provided in the immediate section of the road under construction and of the lands to be occupied.

They expect in Iowa that every tier of country East and West will have its line of rail. Minnesota begins to show the same sort of Enterprise. There are railroads in the two lower tiers of counties; another in the fourth tier, and another in the fifth. The North Pacific and St. Cloud and Pembina Railroads will open other and large portions of the State, and of the region beyond. Of the lines in progress or projected, one is from St. Paul *via* Sioux City to the Union Pacific Railroad, west of Omaha. As to the North Pacific Road, the correspondent suggests that an eligible route would be on latitude 48 degrees, crossing the Missouri River near the northern boundary of the Sherman-Harney Sioux Reservation, crossing the Yellowstone at the mouth of the Big Horn, and thence west near Helena, in Montana, and through the Hell Gate Pass to the Rocky Mountains to the channel of the Columbia River.

"JOINT COMPANIES" OF NEW JERSEY.—With the view to procure funds for the improvement of the canal and railroads of the united companies, the stockholders of the New Jersey Railroad and Transportation Company, the Delaware and Raritan Canal Company, the Camden and Amboy Railroad and Transportation Company, and the Philadelphia and Trenton Railroad Company, are entitled to subscribe at par for 15 per cent of the amount of stock which shall stand in their names on the books of the said companies, collectively, on the 1st day of July next, at the commencement of the year; the stock thus subscribed for to be stock of the said three first-named companies, and to be contributed by them in proportion to the present amount of capital stock of each company; and each stockholder entitled to a fractional part of a share shall be allowed to subscribe therefor a full share; but no fractional subscription received. The subscriptions will close August 10th. Every stockholder

holding less than seven shares will be entitled to subscribe for one share. The installments on account of the new stock shall be paid in cash, in two instalments of 50 per cent each, as follows: First—Fifty dollars a share at the time of subscription—between the 22d day of July and the 10th day of August, 1869. Second—Fifty dollars a share between the 22d day of January and the 10th day of February, 1870. Stockholders failing to subscribe within the time mentioned, or neglecting to pay the instalments when due, will forfeit their right to the new stock.

RUTLAND RAILROAD.—The decision of the Court at Vergennes, Vt., on the petition of the Rutland Railroad Company for possession of the road, which was opposed by some of the first mortgage bondholders of the old Rutland and Burlington, leaves the matter as before the petition was made, the property being still in the hands of the trustees of the second mortgage bonds. Nearly all the second mortgage bonds have been converted into common stock of the Rutland company, and over \$1,000,000 of the \$1,800,000 first mortgage bonds have been converted into preferred stock. The Rutland road ask for possession, as they hold that they can manage more profitable than the trustees, by increasing the rolling stock and doing more business. This has been denied them, and the case remains in the lawyers' hands, and may be there for years to come. In most cases of contention for rights claimed equitable compromise is judicious, and we do not believe this an exceptional one. Even if the first mortgage bondholders could eventually, years hence perhaps, obtain every dollar of principal and all back interest, a fair settlement now would undoubtedly result more to their benefit than a long legal controversy, with its attendant costs and trouble. The experience of other roads would certainly confirm this view of the matter.—*Boston Journal.*

THE SUBSTITUTION OF TEN-FORTIES FOR FIVE-TWENTIES AS NATIONAL BANK SECURITIES.—The following letter has been addressed by the Secretary of the Treasury to the Comptroller of Currency, July 28:

Referring to my letter of May 14th ult., I have decided to permit the substitution of ten forties for five twenties or the exchange of any gold-bearing bonds now held as security for circulating notes on the basis hitherto adopted; the ten-forties to be received at eighty five per cent of their par value, and all other six per cent gold-bearing bonds at ninety per cent. The six per cent currency bonds issued by the United States to the Pacific Railroad will not be received as security for the circulation of National banks; and the exchange of gold-bearing bonds is subject hereafter to revision if it shall be found that such exchanges are so frequent as to become onerous to the department.

GEORGE S. BOUTWELL,

Secretary of the Treasury.

The Comptroller of the Currency has given notice accordingly.

PACIFIC RAILROAD FREIGHTS.—Under the tariff for through freights by rail to the Pacific a car load weighing 18,000 pounds is transported from Chicago to Sacramento for \$900. This is a charge of just \$5 per hundred for transportation a distance of 2,266 miles. The division of rates per car load gives the road to Omaha, 491 miles, \$110; the Union Pacific to Promontory, 1,085 miles, \$385; and the Central Pacific, from Promontory to Sacramento, \$405. So the Northwestern or the Rock Island receives about \$22.45 per car load per hundred miles, the Union Pacific \$35.50, and the Central Pacific \$58.70 per car load per hundred miles. The distance from Chicago to New York is just about two-fifths of the distance from Chicago to Sacramento.

COLORADO R. R. ITEMS.—The *Denver News* says that "a very large proportion of the goods now arriving at Denver come by the Kansas Pacific Road. Large invoices of groceries are coming in from Chicago by that route, all included under a single rate of freight, and without classification. The tariff is astonishingly low. Now let St. Louis compete with Chicago in her selling prices.

OIL CREEK AND ALLEGHANY RIVER RAILROAD COMPANY.—This Company gives notice that the Commissioners of its Sinking Fund will purchase for investment, on and after August 2d, from the several stockholders at par, five per cent of the capital of the stock as it may stand on the books of the Company on the 1st of July, 1869. Those who elect to sell that amount of their stock at par for cash, must notify the Commissioners of the fact, and present their certificates before the 20th of July. The transfer books of the Company are to be removed to Pittsburg after the 1st proximo.

—The *Detroit Tribune* comments as follows on the vote in that city against aid to railroads: "As we intimated would probably be the case, the proposition to loan the credit of the city to certain railroad companies was defeated yesterday by a large majority. The majority against the Detroit & Hillsdale road was 3,874, the largest, and against the Detroit & Howell Road 2,206, the smallest. The total vote was not far from 6,000. The vote of the city last fall was about 12,000, showing that the vote yesterday was about half the full vote. Little interest was taken in the election. But the adverse majority is decisive enough to show that, as matters now stand, Detroit will not help build railroads. As our readers are aware, we desired a different result, and labored for it. We think the result, as it now stands, will be unfavorable to our city. The most potent agency against voting aid was the existing railroad corporations, which organized the opposition, and from their employes furnished a considerable share of the majority against it."

—The Portland, Saco and Portsmouth Railroad's stockholders at their meeting lately discussed the contract between this road and the Boston and Maine and Eastern railroads. The latter were thereby bound to pay their rent in gold and silver coin, but have for six years availed themselves of the Legal Tender act to pay in greenbacks. The lessors think that under a recent decision of the United States Supreme Court, they have a right to recover back rent according to the contract's terms, which would amount to \$194,658 in gold, or \$328,600 in currency. The directors were accordingly instructed to take action to recover for the past and enforce for the future according to those terms.

The *N. Y. Tribune* gives the following items:

—The Raritan and Delaware Bay Railroad will be sold on the 4th, of September at the Manchester Depot, under a writ of fieri facias issued by the Court of Chancery at the suit of Charles J. Hendrickson and Stewart Brown, complainants, who are holders of mortgages. The entire property of the Company, including the steamer Jesse Hoyt, will be sold, and the branch road from Manchester to Tom's River will be disposed of, subject to the payment of the principal of certain bonds secured by mortgage given to James W. Alexander Trustee.

—The line of the Rockford, Rock Island and St. Louis Railroad is now located as far as Rhoad's Point, in Macoupin county. From that place different routes have been surveyed, with St. Louis as the objective point. One route proposed lies through Miles' Station, thence to the Terra Haute Road; another through Shipman; another through Brighton to Bethalto; another through Brighton and Fosterburg to the Junction; and lastly, one through Upper Alton to the Junction.

—A bill has passed the Senate of Florida in aid of the railroads in that State. It is proposed to issue bonds to the amount of \$14,000 a mile, to aid in extending the Pensacola and Georgia road to Mobile, all the bonds to be issued at the same time. The second proposition is for the State to endorse to the extent of \$14,000 a mile the bonds of any company undertaking to build a road from Gainesville to Tampa. The indorsed bonds to be issued as sections of five miles are completed.

A meeting was held at Leavenworth on July 14th to organize the Leavenworth and Gulf Railroad. The people of the counties interested in the road are in earnest, and the work will be speedily undertaken and accomplished. Many leading capitalists are among the incorporators, and the scheme is one that will command the co-operation and support of the people of a large and important section of country.

The net profit of the Great Western Railway Company of Canada for the three months ending April 30, 1869, available for dividend (after deducting interest charges loss by exchange, &c.) is \$81,710 78, against \$79,191 45 in the corresponding period of 1868.

—The Toledo, Wabash and Western Railroad Company has adjusted, its legal difficulties, and all the suits are to be withdrawn. The company is only to issue \$1,000,000 of new stock, instead of \$4,000,000, to be divided equally among the parties, represented by Azariah B. Ody and Jay Gould. The road from Akron to Toledo is expected to be built within eight months, and also that from Decatur to St. Louis.

PUBLIC DEBT OF THE UNITED STATES.

STATEMENT COMPARING THE RETURNS FOR JULY 1 AND AUGUST 1, 1862.

DEBT BEARING COIN INTEREST.

Character of issues.	July 1.	Aug 1.	Increase.	Decrease
5s, Bonds of Jan 1, '59 (15 yrs).....	\$20,000,000	\$20,000,000	\$.....	15.....
" " Jan. 1, '61 (10 yrs).....	7,022,000	7,022,000	.....	.....
6s, B'ds of '61 (after Dec 31, '80).....	18,415,000	18,415,000	.....	.....
6s, " (Oregon war) '81.....	945,000	145,000	.....	.....
6s, " of June 30, '61 (20 yrs).....	189,317,500	189,317,000	100	.....
6s, " May 1, '61 (5-20's).....	514,771,600	514,771,600	.....	.....
6s, " June '63 ('81).....	750,000	75,000,000	.....	.....
5s, " Mar. 1, '64 (10-40's).....	194,567,900	194,567,900	.....	.....
6s, " Nov. 1, '64 (5-20's).....	129,443,800	129,443,800	.....	.....
6s, " July 1, '65 (5-20's).....	832,998,950	832,998,950	.....	.....
6s, " Nov. 1, '65 (5-20's).....	203,327,250	203,327,250	.....	.....
6s, " July 1, '67 (5-20's).....	379,522,850	379,522,850	600	.....
6s, " July 1, '68 (5-20's).....	42,539,350	42,539,350	.....	.....

DEBT BEARING LAWFUL MONEY INTEREST.

8s, Certificates (demand).....	\$5,100,000	\$50,810,000	.....	\$1,310,000
8s, Navy Pension Fund ...	14,000,000	14,000,000	.....	.....

DEBT ON WHICH INTEREST HAS CEASED SINCE MATURITY.

6s, Bonds of 1862, '67, '68.....	\$102,000	\$95,700	.....	\$6,300
5s, Bonds (tax indem.) 1864.....	242,000	242,000	.....	.....
Treasury notes prior to 1857.....	101,512	1,8615	.....	.....
" " since 1857.....	879,152	368,222	.....	10,930
6s, Certificates of indebtedness.....	12,000	12,000	.....	.....
6s, Comp'd int. notes '67 & '68.....	2,879,410	2,785,910	.....	93,500
Temporary loan.....	196,310	124,110	.....	2,000
7-30s, 3 year notes ('67 & '68).....	1,116,500	993,700	.....	166,000

DEBT BEARING NO INTEREST.

Demand notes.....	\$121,683	\$116,719	.....	\$4,964
U. S. Legal Tender notes.....	355,925,195	354,000,000	64,805	.....
Postal & fractional currency.....	32,062,028	31,000,300	.....	1,061,728
Gold Certificates.....	30,489,640	36,725,840	\$6,236,200	.....

RECAPITULATION.

Debt bearing coin interest.....	\$2,107,930,600	\$2,107,931,300	\$700	.....
" bearing lawful money int.....	64,120,000	64,810,000	.....	\$1,310,000
" on which interest has ceased.....	5,071,834	4,790,000	.....	281,834
" bearing no interest.....	418,608,501	423,872,859	5,264,358	.....
Aggregate principal debt.....	\$2,597,730,935	\$2,601,404,160	\$3,673,225	.....
Coin interest accrued.....	45,873,430	31,600,000	.....	13,523,430
Lawful money int. accrued.....	1,342,700	1,277,700	.....	175,000
Int. accrued on matured debt.....	690,630	660,784	.....	29,846
Aggregate debt & int. a-c'u'd.....	\$2,645,178,295	\$2,633,122,739	\$.....	10,055,556
Deduct amount in Treasury:				
Coin belonging to Government.....	\$79,713,673	\$67,405,771	.....	\$12,307,902
Coin for which certificates are outstanding.....	30,489,640	36,725,840	6,236,200	.....
Currency.....	37,077,819	23,116,544	.....	13,961,275
Sinking fund in coin, b'ds & int.....	8,867,282	11,932,147	3,064,865	.....
Other U. S. coin in b'ds. purch'd & accrued interest thereon.....	.....	15,110,590	15,110,590	.....
Total coin & cur'y in Treas'y.....	\$156,168,414	\$153,558,002	\$.....	\$2,612,412
Debt less coin and currency.....	\$2,489,009,881	\$2,481,564,737	.....	\$7,445,144

BONDS ISSUED TO UNION PACIFIC RAILROAD AND BRANCHES.

(Under acts of July 1, 1862, and July 1, 1864, principal payable in 30 years after date, and interest semi-annually, in January and July, both in lawful money.)

6s, Union Pacific Railroad.....	\$25,998,000	\$26,600,000	602,000	.....
6s, Union Pacific E. & W. R.R.....	6,303,000	6,303,000	.....	.....
6s, Sioux City & Pacific R.R.....	1,628,320	1,628,320	.....	.....
6s, Central Pacific R.R.....	22,789,000	24,771,000	1,982,000	.....
6s, Central Branch (Kansas).....	1,600,000	1,600,000	.....	.....
6s, Western Pacific R.R.....	320,000	320,000	.....	.....
Total amount issued.....	\$58,638,320	\$60,860,320	\$2,222,000	.....

COMMERCIAL CHRONICLE AND REVIEW

Monetary Affairs—Rates of Loans and Discounts—Bonds sold at New York Stock Exchange Board—Price of Government Securities at New York—Course of Consols and American Securities at New York—Opening, Highest, Lowest and Closing Prices at the New York Stock Exchange—General Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.

July has been marked by a more settled feeling in monetary affairs. There has been a steady reaction from the extreme stringency in money which had prevailed for some weeks previous, and at the close of the month the rate on call loans was 5@7 per cent and on prime paper 7@9 per cent. The change of tone was due almost exclusively to the release of a large amount of currency previously taken into the Treasury. According to the Debt statement, the July purchases of bonds by the government, with premium added, amounted to something over \$17,000,000, while the receipts on account of gold sales were about \$2,750,000, so that, upon these operations, the street received a balance of \$14,250,000 of currency, about the amount which had been previously lost through the preponderance of Mr. Boutwell's sales of gold over his purchases of bonds and the large receipts of the Treasury on account of internal revenue. Contrary to expectation, there has been no influx of money from either the West or the South. The latter section is evidently hoarding currency, in the absence of banks of deposit or of any means of employing its savings, and having apparently no balance of indebtedness to the North, is not compelled to send money here. The West, instead of settling its maturing obligations in currency or forwarding here its bank balances for temporary employment, has required all its funds for local business and settled its Eastern balances by especially heavy shipments of breadstuffs. We thus find ourselves at the beginning of August, close upon the period for the Western crop movements, with the currency more than usually distributed over the country, and with but little circulation at the East, the amount of legal-tenders in the New York Clearing House banks on July 31, being only \$56,100,000, against \$73,600,000 on August 1st, 1868. This condition of things suggests the probability that the Western demand on this city for currency to move the crops will be less this fall than usual, which is a consideration favoring a steady money market for the next few weeks.

The easier feeling in money has contributed to a more settled tone on the Stock Exchange. The severe experience of operators, during the spring months, has naturally produced a marked caution, with a consequent inactivity. Some of the larger speculators have, under this condition of the market, taken a lengthy vacation, and stocks have thus been very much left to take their own course. The only features of interest have been in what are known as the Verde bill stocks—New York Central, Hudson River and Harlem—which have been actively dealt in at a large advance, owing to the negotiations for the consolidation of the two former roads, and, as is reported, the intended declaration of a large scrip dividend upon the latter. New York Central advanced, within the month, from 189½ to 217½; Hudson River from 159½ to 194, and Harlem from 142½ to 168½. The market generally, however, has failed to

respond to the special firmness on these stocks. But, although the transactions have been light, amounting to only 449,150 shares, recorded on the exchange, against 1,344 767 shares for the same month of 1868, yet there has been a steady improvement in the tone of the market, the result of growing confidence in the future course of money and of liberal earnings by the roads.

Classes.	1868.	1869.	Increase.	Dec.
Bank shares ..	8,186	1,929	...	1,857
Railroad "	1,149,707	368,363	...	751,844
Coal "	2,260	787	...	1,473
Mining "	19,425	5,310	...	14,115
Improv't "	14,830	1,500	...	12,830
Telegraph "	23,833	15,680	...	8,153
Steamship "	55,201	21,490	...	33,711
Expr'ss & c "	76,412	82,101	...	44,311
Total—June.....	1,344,767	449,150	...	895,617
Since January 1..	11,662,826	8,293,383	...	3,369,443

The measures which have contributed to the ease of money have, at the same time, been productive of an extraordinary activity and firmness in Government securities. Mr. Boutwell has bought, on the open market, \$14,000,000 of Fifty-Two bonds \$2,000 000 being on account of the Sinking Fund and \$12,000,000 subject to the approval of Congress, the Secretary probably assuming that Congress will hereafter consent to these purchases being charged to account of the Sinking Fund, for the period antecedent to his incumbency, when the law providing for these operations was not enforced. The result of these large withdrawals of bonds from the market, and the anticipation of further large purchases by the Secretary, in August, was an advance of 6@8 per cent on all bonds except those issues chiefly held in Europe. In July there is usually a free foreign demand for the reinvestment of the July interest; this year, however, the supply on the foreign markets appears to have been adequate for that purpose and few have been exported.

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	Inc.	Dec.
U. S. bonds	\$26,214,200	\$32,950,100	\$6,635,900	\$
U. S. notes	287,000	...	...	52,000
St'e & city b'ds	17,860,500	6,592,000	...	10,758,500
Company b'ds ..	1,188,500	1,134,500	...	54,000
Total—June.....	\$45,095,200	\$40,676,600	\$	\$4,418,600
Since January 1.....	210,140,320	214,997,559	4,857,239	.....

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of June as represented by the latest sale officially reported, are shown in the following statement :

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	6's, 1881.		6's, (5-20 yrs.) Coupon—					5's, 10-40	
	Coup.	Reg.	1862.	1864	1865.	new.	'67.	'68.	'69.
1.....	117½	.....	121½	117½	118½	.....	115½	.....	108
2.....	117½	.....	121½	117½	118½	116½	116½	116½	108½
3.....	117½	117½	122	117½	118½	116½	116½	116½	108½
4.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
5.....	117½	.....	.....	117½	118½	.....	116½	.....	108½
6.....	116½	117½	121½	117½	.....	116½	116½	116	107½
7.....	117½	117½	121½	118	118½	116½	116½	117	108
8.....	118	.....	121½	118½	119½	117½	117½	117½	108
9.....	118½	117½	121½	119	119½	117½	117½	117½	108½
10.....	120½	120½	122½	121½	121½	120½	120½	120½	110
11.....	120½	.....	123½	121½	121½	120	120½	119½	110½
12.....	120½	.....	123½	121½	121½	120	120½	120½	110½
13.....	120½	.....	123½	121½	121½	120	120½	120½	110½
14.....	120½	.....	123½	121½	121½	120	120½	120½	110½

Day of month.	6's, 1881.		6's, (5-20 yrs.) Coupon					5's, 10-4.	
	Coup.	Reg.	1862.	1864.	1865.	new.	1867.	1868. yrs.	C'pn.
15...	120%	120%	121%	121%	...	120%	120%	120%	110%
16 ..	120%	120%	123%	121%	121%	120%	120%	...	110%
17.....	120%	.....	123%	121%	121%	120%	120%	...	110%
19.....	120%	.....	123%	121%	121%	120%	120%	120%	110%
20.....	120%	.....	123%	121%	121%	120%	120%	12 3/4	110%
21.	120%	120%	123%	121%	121%	1 0%	120%	120%	110%
22.....	120%	.....	123%	121%	121%	120	120%	119%	110%
23.....	121	121	123%	121%	121%	120%	120%	120%	...
24.....	121%	.....	123%	.....	.....	120%	120%	120%	111%
25.....	121%	121%	123%	121%	122%	120%	120%	12 3/4	111%
27.....	121	.....	124	121%	122%	121	121%	121	111%
28.....	121%	121%	124%	122%	122%	121%	121	...	...
29.....	123	122%	124%	122%	123	121%	121%	121%	112%
30.....	123%	.....	125	123%	123%	122%	122%	122	114%
31.....	.....	...	125%	123%	123%	.	123%	.....	114%
First.....	117%	117%	121%	117%	118%	116%	115%	116%	108
Highest.....	123%	122%	125%	123%	123%	122%	122%	122	114%
Lowest.....	116%	117%	121%	117%	118%	116%	115%	116	107%
Last.....	123%	122%	125%	123%	123%	122%	122%	123	114%

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

Date.	Cons for mon.	Am. securities.				Date.	Cons for mon.	Am. securities.			
		U. S. 5-20s	Ill. C sh's.	Erie sh's.				U. S. 5-20s	Ill. C sh's.	Erie sh's.	
Thursday	1	92%	80%	95	19%	Friday.....	23	93%	83	91%	19
Friday	2	92%	81%	95	19%	Saturday	24	93%	82%	91%	19
Saturday	3	92%	81%	95%	19%	Monday	26	93%	82%	91%	19
Monday	5	93%	81%	95%	19%	Tuesday	27	93%	82%	91%	19
Tuesday	6	93%	81%	95%	19%	Wednesday.....	28	93%	82%	91	19
Wednesday.....	7	93%	81%	95	19%	Thursday....	29	93%	83%	92%	19%
Thursday ...	8	93%	81%	95%	19%	Friday.....	30	93%	83%	91	19%
Friday	9	93%	81%	9 1/2	18%	Saturday.....	31	93%	83%	94	19%
Saturday	10	91	81%	95%	18%						
Monday.....	12	93%	81%	95%	18%	Lowest.....	92%	80%	93	18%	
Tuesday.....	13	93%	82	95%	18%	Highest.....	93%	83%	96	19%	
Wednesday	14	93%	81%	95%	18%	Range.....	3/4	8	2	1%	
Thursday....	15	93%	82%	93	19%	Last.....	93%	83%	94	19%	
Friday.....	16	93%	82	93	19%						
Saturday	17	93%	82%	93%	19%	Low } since Jan. 1	92%	74%	92%	17%	
Monday.....	19	93%	82%	93%	19%	Hig }	94	81	93%	26%	
Tuesday....	20	93%	82%	9 1/2	19%	Rng }	1%	9%	6%	0%	
Wednesday	21	93%	83%	94%	19	Last	93%	83%	94	19%	
Thursday	22	93%	83%	95	19						

Gold has attracted little speculative interest, and the business at the Gold Room has been very light. There appears to have been considerable disappointment of the expectations of operators relative to the exports of specie, the shipments having been comparatively light, while it was supposed, from the late large excess of imports over exports, and the heavy interest payments to be made to Europe during July, we should have to ship large amounts of gold. While, therefore, it was predicted in some quarters, at the opening of the month, that upon these grounds the price would advance from 137½ to 140, it steadily declined to 134½, and ranged for the most part below 136. During the month of July, last year, the price ranged between 140½ and 145½; in 1867, between 138 and 140½, and in 1866 between 147 and 155½. The supply on the market has been increased during the month, through the government payments of July interest and the Treasury sales of \$2,000,000 of coin; and hence on the 1st of August there was over \$36,000,000 of private gold held on deposit in the Treasury, the largest amount ever reached.

Boston Water Power	16%	17	18%	16	15%	15%	1%	15%
Canton	86%	68	68	63	62%	62%	1%	60
Brunswick City	8%	11	8%	11	11	11	21	11
Mariposa	24	24%	2	8	9	9	8%	9
do 1st pref.	83	83	81%	81%	...	...	...	...
do pref.	60%	60%	14	16%	16	17	16	16
Quicksilver	16%	18%	14	16%	15	16%	15%	16
West. Union Telegraph	48%	48%	33	30	33%	29	38	37%
Citizens Gas	250	250	220	250	160	160	160	160
Manhattan Gas	109	110	108	110	...	...	...	...
Bankers & Brokers Ass. ....	...	...	...	...	...	...	...	...
Express—								
American	40%	40%	40%	40%	...	...	...	...
Amer. M. Union	39%	44%	9	41%	42%	43%	30%	43
Adams	59%	68%	59	63	63	62	53%	59%
United States	67	73	64	73%	70	73	69%	70
Merchants' Union	15	15%	14	16	6	6	6	6
Wells, Fargo & Co.	30%	32%	29%	32	31%	31%	31%	31%

Foreign Exchange has been steady at about specie shipping rates; the supply of commercial bills and of bond bills, however, has proved sufficient to obviate the necessity of any considerable covering of drafts with specie.

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London.	Paris.	Amsterdam.	Bremen.	Hamburg.	Berlin.
	centimes for dollar.	centimes for dollar.	cents for florin.			
1.....						
2.....						
3.....						
4.....						
5.....						
6.....						
7.....						
8.....						
9.....						
10.....						
11.....						
12.....						
13.....						
14.....						
15.....						
16.....						
17.....						
18.....						
19.....						
20.....						
21.....						
22.....						
23.....						
24.....						
25.....						
26.....						
27.....						
28.....						
29.....						
30.....						
31.....	110% @ 110%					
31.....	110% @ 110%					

July, 1859.....	109% @ 110%	517% @ 518%	40% @ 40%	78% @ 79%	35% @ 36%	71 @ 71%
July, 1860.....	110 @ 110%	512% @ 512%	41% @ 41%	79% @ 80	36% @ 36%	71% @ 72

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.	Ag. c'car'ge.
January 1.....	\$269,190,037	\$50,736,122	\$34,370,109	\$181,490,445	\$48,896,421	\$585, 01 799
January 9.....	258 792,562	27,311,790	34,314,156	187,908,530	51,141,123	70, 772,031
January 16 ..	262,838,831	29,258,536	34,279,153	195,484,813	52,927,038	675,746,811
January 23....	264,951,6 9	28 864,197	31,265,9 6	197,101,163	54,022, 19	67, 234,542
January 30 ..	265,171,109	27,764,928	34,231, 158	196,925,463	54 747 569	600, 36 1,2 6
February 6. .	268,641,723	27,839,404	34,240,438	198,601,809	53,424,133	670 829,470
February 13..	264,890,407	35,234,331	34,263,451	192,977,280	52,834,953	620,754,499
February 20..	263,424,084	29,811, 91	34,247,321	187,012 546	50,997,197	70 , 991,049
February 27..	261 371,697	20,832,003	34,217 981	186,216,175	50,833,054	529, 16, 021
March 6....	262,069,863	19,486,634	34,27 883	182,601 437	49,116,569	727,18,131
March 13.....	261,669,693	17,253,671	34 680,445	182,392,458	49,639,623	629, 71,508
March 20.....	263,093,402	15,214,806	34,74 310	183,501,9 9	50,714,874	730,710,003
March 27.....	261,909 5 9	12,078,722	34,777 814	180,113,910	50,555,103	797,927,488
April 3.....	261,933,675	10,737,829	31,816,916	175,325,769	48,496,359	837,22,692

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.	Ag. clear'g.
April 10.....	257,140,327	8,791,443	84,604,360	171,445,540	43,644,743	510,16,454
April 17.....	255,184,882	7,811,779	84,436,763	172,203,494	51,001,88	772,945,294
April 24.....	257,153,074	8,850,160	84,060,51	177,310,080	51,677,898	752,945,768
May 1.....	260,185,160	9,267,615	83,972,053	183,948,565	56,498,722	722,162,349
May 8.....	263,486,372	16,081,419	83,986,160	191,833,387	55,103,573	911,174,577
May 15.....	269,498,897	15,874,769	83,977,793	199,392,449	56,501,356	684,726,339
May 22.....	270,275,952	15,429,404	83,927,346	199,414,869	57,838,493	732,747,692
May 29.....	274,935,461	17,871,280	83,920,845	213,055,600	57,810,373	782,442,461
June 5.....	275,919,609	19,051,123	83,922,995	199,124,042	51,289,429	765,28,023
June 12.....	271,983,735	19,053,580	84,141,790	193,886,405	50,759,258	855,046,645
June 19.....	263,841,906	19,025,444	84,198,829	184,214,110	49,612,428	829,224,221
June 26.....	260,431,732	20,277,140	84,214,795	481,774,695	48,161,920	76,170,743
July 3.....	258,868,471	23,520,267	84,217,978	179,929,467	41,737,963	146,761,340
July 10.....	258,424,942	20,266,912	84,217,945	163,197,233	48,127,723	676,541,291
July 17.....	257,008,249	21,055,450	81,173,437	183,431,711	51,859,706	711,322,111
July 24.....	259,641,889	20,079,424	84,110,718	193,622,261	51,271,669	584,425,097
July 31.....	260,580,225	27,319,933	84,68,677	196,416,443	56,101,627	614,455,457

PHILADELPHIA BANK RETURNS.

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.....	\$51,716,989	\$852,483	\$18,210,397	\$38,21,023	\$10,347,79
January 11.....	51,642,237	544,691	13,494,109	33,768,511	10,339,73
January 18.....	52,122,733	478,462	13,729,493	34,025,158	10,396,49
January 25.....	52,537,015	411,837	14,054,870	39,525,462	10,522,94
February 1.....	52,632,813	322,782	14,246,570	29,677,943	10,542,35
February 8.....	52,059,716	317,011	13,795,595	40,020,899	10,546,33
February 15.....	52,929,391	301,681	13,572,343	34,711,575	10,542,28
February 22.....	52,416,146	211,307	13,208,607	27,940,986	10,412,546
March 1.....	52,251,351	256,933	13,010,543	37,725,205	10,432,546
March 8.....	52,232,000	297,887	13,253,201	33,293,956	10,432,53
March 15.....	51,911,542	277,517	13,024,217	37,571,582	10,412,61
March 22.....	51,323,419	235,097	12,765,759	36,941,009	10,412,44
March 29.....	50,507,100	210,614	13,021,315	36,863,344	10,412,49
April 5.....	50,499,468	149,018	12,169,221	35,875,854	10,412,49
April 12.....	50,770,193	181,246	12,643,357	36,029,133	10,412,49
April 19.....	51,178,371	167,818	12,941,783	37,031,747	10,612,425
April 26.....	51,294,222	164,261	13,641,063	37,447,235	10,612,407
May 3.....	51,510,981	201,753	14,220,371	38,971,241	10,617,715
May 10.....	51,936,530	270,525	14,621,803	39,171,803	10,617,924
May 17.....	52,168,826	276,167	14,696,365	40,692,742	10,614,412
May 24.....	52,361,764	174,115	15,037,003	41,611,410	10,615,246
May 31.....	52,210,874	181,257	15,481,947	42,478,319	10,615,351
June 7.....	52,826,257	169,316	15,874,988	42,340,830	10,610,40
June 14.....	53,131,800	152,451	15,173,332	42,045,077	10,611,933
June 21.....	53,810,095	148,795	14,972,123	42,066,901	10,617,94
June 28.....	53,661,172	180,684	14,567,327	41,517,716	10,622,74
July 5.....	53,937,521	208,621	14,011,449	41,321,537	10,615,45
July 12.....	53,140,755	485,293	13,415,493	40,140,497	10,615,45
July 19.....	53,128,595	456,731	12,944,886	39,834,862	10,612,76
July 26.....	52,461,100	390,377	13,076,180	36,160,614	10,614,73

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.....	\$98,423,644	\$2,203,401	\$12,813,333	\$37,528,767	\$5,15,345
January 11.....	100,727,017	3,075,814	12,814,700	38,042,891	25,27,617
January 18.....	102,205,209	2,677,658	12,912,327	39,717,193	25,243,23
January 25.....	102,959,942	2,394,710	13,278,874	39,651,747	25,272,20
February 1.....	103,696,153	2,161,234	12,564,225	40,228,462	25,312,97
February 8.....	101,342,425	2,073,908	12,452,795	39,693,817	25,210,67
February 15.....	103,215,014	1,845,524	11,642,556	37,759,712	25,352,121
February 22.....	102,252,632	1,545,418	11,160,790	36,322,814	25,304,053
March 1.....	101,309,539	1,234,936	11,200,149	35,249,464	25,301,57
March 8.....	101,425,932	1,297,599	10,985,972	35,515,680	25,315,57
March 15.....	100,820,303	1,277,815	10,869,183	34,011,715	25,315,57
March 22.....	99,553,319	1,320,864	10,490,443	32,641,077	24,513,311
March 29.....	99,670,945	937,769	11,646,221	32,931,130	25,241,167
April 5.....	96,069,114	862,276	11,248,884	33,504,199	24,717,716
April 12.....	99,625,472	750,160	11,391,519	34,392,377	25,235,79
April 19.....	99,115,150	639,460	11,419,995	31,257,071	25,351,34
April 26.....	98,971,711	617,435	12,361,827	31,302,203	25,419,73
May 3.....	100,127,411	708,963	12,352,113	36,735,742	25,301,000
May 10.....	100,556,542	1,167,749	12,513,472	37,457,897	25,321,33
May 17.....	101,474,527	1,134,866	12,888,527	38,708,304	25,440,62
May 24.....	102,042,182	934,560	13,191,542	39,247,831	25,394,30
May 31.....	102,518,278	772,897	13,698,637	38,403,634	25,175,23
June 7.....	103,643,849	640,583	13,454,661	38,491,446	25,222,157
June 14.....	104,352,545	601,743	13,443,615	37,401,719	25,217,057
June 21.....	103,631,658	959,796	13,037,305	38,943,995	25,214,41
June 28.....	102,575,825	1,105,662	11,784,602	34,831,417	25,204,56
July 5.....	102,633,948	3,140,676	9,595,668	34,851,745	25,203,21
July 12.....	101,405,241	3,355,151	9,511,879	31,520,477	25,205,03
July 26.....	102,702,610	3,024,595	9,733,461	35,311,143	25,254,204

T H E
M E R C H A N T S ' M A G A Z I N E
A N D
C O M M E R C I A L R E V I E W

S E P T E M B E R , 1 8 6 9 .

THE RAILWAYS OF INDIA.

Now that the necessity of further railroad development in India is becoming so important, and the plans for its accomplishment are being discussed, the following, showing the extent of the present system and its results will be of special interest.

If the introduction of railways into India was tardy, their development in that vast country has, all things considered, been encouraging. Sixteen years ago India had no railways. In 1853 the first line was opened; by the end of the year 22 miles were in working order; now 3,943 miles are in use by the public. Since 1860 the construction of permanent ways has been effected with greater vigour than at first, for during the six years ended with 1866, no less than 2,735 miles of new road were laid down and opened. The average work of those years was 456 miles annually. Last year 349 miles more were added, and thus the aggregate mileage was brought up to the number stated above. Contrasted with the net work of railways stretching over England, the Indian system appears simplicity itself; the roads are nearly all main or trunk lines. Of branches, at present there are very few indeed.

Three companies—the East Indian, the Great Indian Peninsular, and the Madras—have between them to lay down 656 miles in addition to their existing works; that accomplished, Madras will be in direct railway communication with Bombay; from Bombay a line will run through Central India and join the East Indian at Allahabad, thence eastward to Calcutta, and westward to Delhi and the Punjab. From the terminus of the Punjab line at Moultan, goods and passengers can be carried down the Indus by the steam flotilla to the Scinde line, and by that means reach Kurrachee, the extreme north-western seaport. An inspection of the railway map of India shows that of existing lines there are three termini on the eastern and four on the western seaboard of the Peninsular. The route just traced lies along the grand arteries of traffic. Of the smaller lines the Bombay and Baroda and the Nagpore branch of the Great Indian drain the principal cotton fields.

Though certain lengths have to be completed, yet the benefits, both strategical and commercial, already derived from the existing lines are enormous. Ten years ago, when only 300 miles of railway were opened, “it took,” says Mr. Danvers, “about four weeks to travel by day, and as many months to convey a regiment from Calcutta to Simla; now it occupies five or six days.”

The railways are in the hands of eleven companies; their relative importance is disclosed by the figures of the subjoined tables:—

MILEAGE 1ST OF MAY, 1868, AND LOCOMOTIVES AND ROLLING STOCK OF INDIAN RAILWAYS, 1ST OF JANUARY, 1868.

Railway.	Miles open.	Locomot's.	Passenger carriages.	Total vehicles, includ. waggons & trucks
East Indian.....	1 856	425	850	6,052
Great Indian Peninsula.....	874	209	958	5,533
Madras	645	106	262	2,942
Bombay, Barado, and Central India....	306	65	181	3,055
Scinde	109	25	61	574
Punjaub.	246	88	116	755
Delhi.....	54	6	107	561
Eastern Bengal.....	114	32	92	601
Great Southern of India	168	15	33	358
Calcutta and Southeastern.....	29	12	56	534
Oude and Rohilkund.....	42	4	12	49
Total.....	3,943	987	2,733	20,959

The total length of lines a present sanctioned by government is 5,609 miles, so that 1,666 miles remain to be finished. The East Indian main line has 145 miles, the Great Indian 393 miles, the Madras north-west line 180 miles, the Bombay and Baroda 7 miles, the Punjab (Delhi line) 266 miles, the Eastern Bengal 45 miles, and the Oudh and Rohikund no less than 630 miles. As the last company has only 42 miles opened, it must be the least advanced of any in the country. The other companies appear to have completed the lines sanctioned.

There are great variations discernable in the proportion of locomotives to mileage and rolling stock on the different lines; thus, the East Indian has one locomotive to 3.18 miles, the Madras one to 6 miles, and the Great Southern one to 11 miles, while the ratio of vehicles to each locomotive on the respective roads was 14, 28, and 16. The great cotton line, the Bombay and Baroda, has 46 vehicles per locomotive.

The sketch map which accompanies the Government directors' report shows that nearly all the great cotton fields of India are now connected by railroad with shipping ports. The collapse in the Indian cotton trade which followed the termination of hostilities in America must, to a considerable degree, have injured railway enterprise. During the half-year ended at Midsummer, India sent us only 729,000 bales of raw cotton; in the corresponding months of 1867, 940,000 bales; and for the same period of 1866 no less than 2,378,000 bales, or more than thrice this half-year's supply. Nevertheless, it is officially reported that "railways are beginning to tell upon the cultivation of cotton in India in other ways than merely providing a more rapid and less costly mode of conveyance than formerly. Steam factories for cleaning cotton are springing up; machines for half-pressing are established in many places, and in others steam presses for packing the bales for shipment have been constructed."

Upwards of £75,000,000 has been expended on the Indian railways; the chief part of that sum was subscribed in England. The total number of proprietors on the 31st December last was 49,690, of whom 40,221 were stockholders registered in England, and 819 in India; of the latter number 422 are described as Europeans and 397 as natives. The debenture holders numbered 8,656.

To England also the contractors had to look for goods and machinery, as well as money. The value of railway material and machinery shipped hence to India during the years 1853-67 was £23,253,000., exclusive of freight and insurance, which last year amounted to 25 per cent, on the value sent. These ponderous cargoes weighed in the aggregate 3,529,000 tons, and required 5,339 ships for their conveyance.

A census of the number of persons employed on part of the railways was taken at Michaelmas last, when it appeared that there were 39,099 engaged; 36,048 were natives, and only 3,051 were set down as "Europeans and East Indians." At this time and for this number—the returns for the lines on the Bombay side are not included—2,475 miles and 271 stations were open; this, therefore, is less than two-thirds of the total mileage. It will be observed that of the railway establishments twelve out of thirteen employes are natives. True, this proportion does not hold with all departments; thus, in the printing and stationery department, of 362 persons engaged, 353 were natives; in the stores department, of 1,744

hands, 1,675 were natives; in the locomotive department there were 1,288 Europeans and East Indians to 5,219 natives; the special knowledge wanted for the latter department, rendering the employment of a larger number of Europeans necessary.

The European portion of the railway service is composed of a class of men who until recently were little connected with any department of Indian administration. "A civil engineer was seldom seen in India before railways were introduced, and the usual staff of a railway, from the traffic manager and locomotive superintendent to the engine driver and stoker, were of course unknown. Now, it will be observed, they are to be counted by thousands. They go out from this country generally between 25 and 30 years of age, and many spend the best years of their lives there. The mortality amongst them, notwithstanding the exposure to which they are subject, has been below the average." The pay is already high, usually double that which a man of the same calling would obtain at home, and other inducements are held out to healthy and efficient hands to enter the Indian railway service.

The capital authorized to be raised is at present upwards of £84,000,000; the amount actually raised up to the 31st of March of the current year, £76,579,000; £60,049,000 on shares or stocks, and £16,530,000 on debentures. Included in these sums is £9,000,000 raised during 1867. The capital account of each company is shown hereunder:—

CAPITAL AUTHORIZED BY GOVERNMENT; THE AMOUNT RAISED, AND THE AMOUNT EXPENDED ON INDIAN RAILWAYS UP TO THE 31ST OF MARCH, 1868.

Railway.	Authorized Capital	Amount Actually raised	Amount Withdrawn for Expenditure.
East Indian	£28,600,000	£28,487,518	£28,362,507
Great Indian Peninsula	19,000,000	18,248,180	17,614,555
Madras	10,000,000	9,550,441	8,785,902
Siem Reap	2,250,000	2,97,494	2,111,072
Indus Flotilla	624,000	231,405	577,052
Punjab	2,750,000	2,040,253	2,618,331
Delhi	5,000,000	3,451,64	2,129,145
Bombay, Baroda and Central India	7,500,000	7,369,164	7,061,126
Eastern Bengal	2,662,000	2,519,498	2,336,226
Calcutta and Southeastern	600,000	44,350	615,242
Great Southern	1,350,000	1,350,000	1,340,77
Oude and Rohilkund	4,000,000	742,449	361,319
Total	£84,386,000	£76,579,016	£75,071,655

It would appear from this statement that, at the latest date to which the accounts were made up, £1,500,000 odd was the cash balance in hand, for it had not been "withdrawn for expenditure." The total amount of Capital which the companies estimated they should require was £93,916,000; the Government sanction was, as the table shows, 10 per cent under that sum.

The money was obtained in the following manner :

Raised in England—

By shares.....	£59,258,013
By convertible debentures.....	£6,857,445
By inconvertible debentures...	10,172,700—16,530,145
Raised in India.....	795,858

Total at 31st of March, 1868.....£76,579,016

The pecuniary share of India in these great undertakings was evidently insignificant.

The £75,000,000 which has already been expended on the railways does not represent the whole of their cost. The land granted by Government to the companies cannot be taken at less than £2,500,000; besides this, the Government, by making up the difference between the contract rate of the rupee—namely 1s. 10d.—and the average rate of exchange during the construction of the works—i. e., 2s.—has contributed about 8 per cent to the capital expended in India. This difference in value would amount to £3,600,000. “The actual cost of the railways,” Mr. Danvers remarks, “is thus raised from £75,000,000 to £81,000,000. But the amount upon which the profits are divisible is, fortunately for the companies, limited to their contribution.”

Of the shareholders' contribution £45,000,000 were expended in India, and for goods, freight, and insurance £30,000,000 in England.

II.

We are told that “Indian railways do not form an exception to the rule that expenditure always exceeds estimates. In some cases the cost has been three or four times greater than was expected. In others the excess has been very small.” If the companies have had grants of land and other advantages afforded them by Government, the charge for freight and marine insurance has borne heavily upon their resources. The East India line will average about £22,000 per mile, but this expenditure includes losses sustained by the mutiny. The Bombay and Baroda will be at the same rate until the extension to Delhi is completed. The Scinde will cost £20,000. The Madras has cost only £15,000 or thereabouts; the Great Southern, £10,000; and the line between Cawnpore and Lucknow less than £7,000 per mile.

The bulk of the expenditure on each line is stated in the report under five or six chief heads for each company. We select the four largest undertakings :

Chief Items of Expenditure.	Railways.			
	East Indian.	Great Indian Peninsula.	Madras.	Bombay, Baroda, &c.
Works and bridges.....	£3,775,000	£6,841,600	£2,446,900	£2,896,500
Permanent way and stations.....	6,485,000	4,938,500	2,999,800	1,785,400
Freight and insurance.....	2,785,000	1,817,700	1,661,000	536,800
Rolling stock and engines ..	3,145,000	1,888,090	798,000	1,196,800
Establishments.....	3,380,000	1,156,200	717,200	488,800
Miscellaneous, electric telegraph stores, &c.....	3,352,000	196,000	362,700	40,000
Total.....	£27,922,000	£16,842,000	£8,385,600	£7,214,300

The construction of the Madras line, one of the cheapest, involved an outlay of one-eighth of the total expenditure for freight and insurance. The Bombay and Baroda appears to have been more fortunately situated with respect to the same items.

Single rails are characteristic of the Indian permanent way. Of nearly 4,000 miles now open, only 209 are provided with double rails, and these are found on four lines, viz., the East Indian, which has $94\frac{1}{2}$; the Great Indian Peninsula, 98; the Bombay, Baroda, and Central India, $11\frac{1}{2}$; and the Scinde 5 miles. The traffic is eminently a good traffic, for less than one third of the total revenue is raised from passengers. The passenger traffic is markedly a third-class traffic. Last year $13\frac{3}{4}$ million of passengers were conveyed by the various Indian lines, and of these persons 13,000,000 were third class and parliamentary passengers. This contrasts curiously with the statistics of passenger traffic in England, where the travelers hold this proportion or thereabouts—to four persons using the third class and parliamentary carriages there are two who go by the second class, and one who travels first class. Season ticket holders on Indian lines are numerically insignificant, being but slightly over 6,000. The passenger traffic for each line is shown by the following table :

PASSENGER TRAFFIC OF INDIAN RAILWAYS FOR THE YEAR ENDED THE 30TH OF JUNE, 1867.

Railway.	Number of Passengers.			Total.
	First Class.	Second Class.	Third Class and Parliamentary.	
East Indian	84,119	111,850	4,280,642	4,426,611
Great Indian Peninsula	32,698	207,761	2,880,164	3,070,613
Madras	8,019	70,375	1,837,752	1,912,146
Bombay, Baroda and Central India.	7,102	40,216	1,505,404	1,552,722
Scinde	2,097	5,549	185,589	143,235
Punjab	6,812	25,878	585,114	616,804
Eastern Bengal	39,827	47,957	1,102,504	1,190,288
Great Southern of India	2,188	.	437,027	439,215
Calcutta and South-eastern	3,653	16,215	89,277	109,145
Oude and Rohilkund	801	818	34,469	35,888
Total	136,251	526,119	13,083,941	13,746,311

Indian fares are low. The third class vary from one-third of a penny to one half penny per mile; the second class from three farthings to something over 1d. per mile; and the first class from $1\frac{1}{2}$ d. to $2\frac{1}{2}$ d. mile.

With the exception of sheep, the live stock traffic appears to be very small. During the year the Great Indian conveyed 208,000, and the Bombay and Baroda 212,000 sheep. The aggregate weight of general merchandise carried, exclusive of minerals, was nearly 2,000,000 tons. Including shunting, the number of miles travelled by trains of the four largest companies were these: the East Indian, 5,239,000 miles; the Great Indian Peninsula, 2,630,000 miles; the Madras, 1,362,000 miles; and the Bombay, Baroda, and Central India, 757,000 miles during the year.

The subjoined statement shows that the aggregate gross receipts of all the companies in 1866-67, approached the large sum of £5,000,000, of which £1,377,000 was collected from passengers, or £100,000 more than in the previous year; and £3,321,000 for minerals and goods, showing an increase of £229,000; the year's increase, therefore, from both branches of receipts was £329,000—this was on the “gross receipts,” be it observed. The net revenue was only £32,000 in excess of the previous twelve months. But last year the increase over its predecessor was very large, for it is stated that in the “two years the revenue has increased upwards of £1,000,000.”

RECEIPTS OF INDIAN RAILWAYS FOR THE YEAR ENDED WITH 30TH JUNE, 1867.

Railway.	From			Total.
	Passengers, &c.	Goods and Minerals.	Telegraph and Sundries.	
East Indian.....	£557,511	£1,488,290	£111,333	£2,157,134
Great Indian Peninsula	323,880	1,073,811	19,469	1,417,160
Madras	168,375	289,929	16,282	465,586
Bombay, Baroda and Central India.	186,546	225,113	22,066	433,725
Scinde.....	15,067	96,225	.....	111,292
Punjab.....	34,869	56,977	.....	91,846
Eastern Bengal.....	61,666	71,608	7,083	140,357
Oude and Rohilkund*.....	2,540	120	.....	2,660
Great Southern of India.....	27,353	27,534	1,460	55,352
Total.....	£1,376,812	£3,320,607	£177,693	£4,875,112

The working expenses and maintenance of the Indian lines absorbed more than half the gross receipts; in England, the corresponding charges are very appreciably less than one-half of the receipts. The total expenditure of the Indian companies amounted to £2,538,000 leaving £2,337,000 as net receipts.

EXPENDITURE AND NET RECEIPTS OF INDIAN RAILWAYS FOR THE YEAR ENDED WITH THE 30TH OF JUNE, 1867.

Railway.	Expenditure.			Net Receipts.
	Working Expenses.	Maintenance.	Total.	
East Indian	£182,897	£201,544	£384,441	£1,172,693
Great Indian Peninsula.....	624,323	159,792	784,115	633,045
Madras	137,724	66,805	204,529	261,057
Bombay, Baroda and Central India.	233,311	76,336	309,647	124,078
Scinde. . . . .	.....	.....	89,136	22,156
Punjab.....	.....	.....	71,314	20,532
Eastern Bengal	54,111	14,247	68,358	71,999
Oude and Rohilkund†	1,160	.....	1,160	1,500
Great Southern of India	19,955	5,157	25,112	30,240
Total	£1,853,481	£323,881	£2,587,812	£2,337,300

Mr. Danvers has instituted a rather minute comparison of receipts and expenditure per train mile of the Indian lines with those of Great Britain

*For nine weeks only, viz., from 9th April.
†For nine weeks only.

and the Grand Trunk Line of Canada. We place the receipts and the expenses in juxtaposition after the names of a few lines, by way of illustration, thus: East Indian, 8s. 3d.—3s. 6d.; Great Indian Peninsula, 10s. 9d.—6s.; Madras, 6s. 1d.—3s. 1d.; Bombay, Baroda and Central India, 11s.—7s. 4d. The railways of Great Britain in 1865, 5s. 1½d.—2s. 6d.; and the Grand Trunk of Canada in 1866, 5s. 7½d.—4s. The Indian bear comparison with the British lines, but their economic plight would be wretched indeed if they approached the condition of the Great Canadian company. The price of fuel seriously affects the cost of the locomotive departments of the various companies. In the East Indian the locomotive expenditure per train mile was 1s. 3½d.; in the Great Indian Peninsula it was 2s. 6½d.; in the Bombay and Baroda it was 2s. 3½d.; and in the Madras 1s. 1½d. It is officially stated that "with regard to wood fuel, measures have been taken by the government for planting and preserving forests for the purpose. With respect to coal, an abundant supply is obtained in Bengal; but the beds in Central India have not yet been made available for railway purposes, access to them having been delayed by the tardy operations of the Great Indian Peninsula Railway." But little insight of these lines is needed to discover how much their prosperity is dependent on the price of fuel. The line last named paid 51s. a ton for coal; the cost in England being £27,418, the freight, &c., amounting to nearly four times that sum, namely, £98,708; coke, 62s. a ton; and patent fuel, 54s. a ton; and these are not the highest figures quoted. The Madras lines are as dependent on England for coal as the companies in Western India. The lower expenditure of the Madras "is partly due to the more general use of wood, but partly also to the economical system of management, which reflects credit on the railway authorities in the Madras presidency."

Perhaps no better evidence is wanted of the general success of Indian railways than that afforded by the large sum recouped the government for guaranteed interest. The whole sum which has been paid by government under its guarantee now amounts to £22,212,500, of which about £9,500,000 has been recovered from the companies, leaving something above £12,000,000 as their present debt, and which is chargeable against the half of their surplus profits over 5 per cent. The interest advanced to the companies in 1867 was £3,238,000; almost all of this was paid in England.

We conclude with a passage that may be profitably conned by railway directors in England. "One great advantage of the guarantee system," observes Mr. Danvers, "is that it provides effectual means for keeping the capital and revenue accounts perfectly distinct. Every sixpence which is advanced by the government for interest on the capital, both

before and after the lines are opened, is charged against revenue. An account is kept of the sums so advanced, and the government is reimbursed, under the terms of the contracts, out of the profits of the railways. Rules have, moreover, been laid down for the guidance of those who have to make up and examine the half yearly revenue accounts. True and real profits are carefully defined, and it is shown how they are to be ascertained." By these means the confusion between capital and revenue accounts is rendered impossible.

THE ANTICIPATED MONETARY STRINGENCY.

The general report has been in circulation that we shall have a very close money market during the fall months, and an apprehension of stringency, whether well founded or not, has no doubt exerted a beneficial influence in developing caution, stimulating foresight, and checking the disposition to speculation and overtrading. When the fall trade opens there will thus be a more substantial basis for it to build itself upon, and if the fears of monetary stringency should be dissipated, then the movements of business during the autumn will be likely to be all the more vigorous. It is no wonder then that the interest attaching to the prospects of the fall trade should give great importance to the monetary question, and that the future of the loan market is discussed with great anxiety by a larger class of persons than usual.

There are two or three points involved in this discussion to which it will be well to direct our attention if we would avoid error. The first is as to the movement of the currency. The South and West have for some time past been absorbing greenbacks, and of the amount which went hence to the interior last fall 30 millions at least did not flow back again, as usual during the spring and summer. This absorption is of course, equivalent to a contraction of the currency to the extent of 30 millions, and hence arose a part of the forces which have given a downward turn to the price of gold at the Stock Exchange. Now it is predicted by persons who ought to know, and whose experience gives weight to their opinion, that the South will this season repeat the process of absorption, and that of the greenbacks and national bank notes shipped thither, from 15 to 25 millions will never be seen in the North again until they come up as worn-out mutilated notes for redemption. How far this expected depletion and derangement in the movements of the currency may be correct, and if correct to what extent it may disturb the money market, are matters well worthy of consideration. We are inclined to think, however, that the influx of gold into the reserve

funds of the banks, and the 50 millions of three per cent certificates which are held by the banks as reserve, so as to set free 50 millions of currency, will more than counterbalance any disturbing influences that may arise from causes such as those to which we have referred. Besides this, Mr. Boutwell is alive to the mischief which arises from the locking up of currency in the Treasury. We have the assurance that he will not allow trouble to invade the money market through any mismanagement in that respect. And experience shows that so long as the Treasury is not a cause of monetary stringency, the other causes which tend to produce it will soon spend their force. On the whole, therefore, the monetary outlook, so far as regards the movements of the currency, is not unpromising.

Nor is this view of things darkened if we look at the supply of capital seeking investment. From causes, some of which are very obvious, the accumulation of capital in all our great monetary centres has been going forward of late with almost unexampled rapidity. It is true that capital is too much concentrated, and is held in few hands. But this very circumstance is favorable to the availability of the capital for the purposes of the loan market, and tends to make money easy. We have, however, to make allowance for the rapidity with which in all parts of the country floating capital is assuming fixed forms. But this phenomenon always accompanies the rapid increase of capital to which we have pointed and indicates the presence of confidence to embark that capital in useful enterprises.

Here, then, we see before us for our fall trade the three grand conditions of an easy money market: We have abundance of capital seeking investment, we have adequate confidence among those who own that capital and are willing to lend and use it, and thirdly, we apprehend in the currency no sudden contraction or spasmodic movement such as would be likely to trouble the monetary equilibrium. It is true the New York bank deposits are lower than for several years past, but this arises in part from changes in the methods of doing business among the country banks which used to keep large deposits here—changes some of which have had their rise in the monetary stringency of the past six or eight months. We may safely infer, therefore, with a large number of the shrewdest men in Wall street, that if there should be no artificial tampering with the money market we shall have no such stringency this fall nor any such monetary spasms as would be likely to disturb business. In confirmation of these views we copy the following opinion of a broker who is one of the best authorities on such subjects in Wall street:

"The trade with the interior," he says, "and especially with the South, is rather backward, when the improved financial position of that section is considered. This is

possibly due, in some degree, to the natural changes wrought by the extension of railroads and telegraphs, which have to a great extent annihilated time and distance. The merchants of remote sections can now wait until the results of the harvest give them intimations whether or not to make large purchases, with the certainty of finding ready sales at home. But as good crops are assured, there seems to be no reason to doubt that any present shortcoming, with regard to the general trade, will be amply compensated as the season advances. The only drawback that appears is in relation to the course of the fall money market, but from the present aspect of affairs no serious financial disturbance seems probable. The prospective drain of currency to the South and West, for crop and trade purposes, is likely to be at least partially offset by government disbursements on account of bond purchases, in accordance with the understood policy of the Secretary of the Treasury. At present indications are in favor of a steady trade movement during the autumn months, and a result far more satisfactory than last year, when business was seriously interrupted by an excited political campaign, may be expected. Still much depends on the movements of the money market. If monetary ease prevails the best results are to be anticipated.

THE COAL QUESTION.

By J. C. BAYLES.

Messrs. Horatio Seymour, A. G. Stevens and Robert Hadding, a committee appointed at a recent meeting of the citizens of Buffalo to memorialize Congress on the coal question, have lately submitted a report embodying the results of their inquiries and observations on this important subject, which presents many facts of interest and value that are deserving of especial notice. In this document it is stated that the average cost of all the coals mined in Great Britain in 1854 was \$1 15 per ton at the mouth of the pit. In 1859 the lowest estimate of cost in the anthracite region of Pennsylvania, including all expenses of machinery and repairs, was about 65 cents per ton, and the highest seldom reached \$1. The report further states that, up to 1859, anthracite coal was never sold for more than \$4 per ton, which was above the general average for several years. From 1856 to 1861 the wholesale range in Philadelphia and New York was from \$3 19 to \$4 50, and it ordinarily varied but little from \$3 50. When the inflation began, the price of coal rose to \$6 50 in August, 1863, and to \$10 75 in August, 1864. Since then the value of anthracite has fluctuated considerably, falling as low as \$4 50 in May last, and again rising within the past few weeks as high as \$10 75. These facts are significant.

Under ordinary circumstances, the question of how to obtain an abundant supply of coal at fair prices, important to all classes of the community alike, would resolve itself into a simple question of labor and transportation; in other words, how cheaply it can be mined and distributed. This is true in the present instance, but before we are likely to have the difficulties growing out of these important questions satisfactorily adjusted, it will be necessary that the existing combinations between mining and carrying companies be broken up. This can only be effected through competition. As long as we are dependent for our fuel on one locality of very

limited extent, from which the largest possible yield cannot very much exceed the immediate demands of consumers, co-operation between the various interests involved will be possible and indeed inevitable. This fact is fully appreciated by the miners, as well as the operators, of the anthracite basin, and to this dangerous knowledge the present difficulty between the workmen and employers at the mines is in a great degree attributable. The case is simply this: Knowing that the Pennsylvania companies control the only source from which anthracite can be obtained, the miners demand, first, such a share of the profits of the business as they may at any time see fit to ask; second, the right to cut off the whole supply of coal and all employment of the capital invested in mining operations whenever they please, and until consumers are forced to pay such prices as may suit the miners. Added to these unreasonable demands, there is also the reserved privilege of using force to prevent the employment of those who may be willing to work on other terms than those prescribed by the miners' unions. It is evident that no such conditions as those demanded in the "basis" can be accepted by the companies. Whatever may be the terms of the compromise agreed upon, the miners must eventually abandon their position. In order to be in harmony with, the interests of labor must be subservient to, the interests of capital. Labor in this department of industry is and always will be abundant. There are skilled miners in many parts of the United States besides Pennsylvania, and England, Wales, France, Belgium and China can furnish as many as may be needed. The proposition to import a large force of Coolies is now under consideration, and it is probable the scheme will be carried into effect before very long. Many of the collieries are now standing idle that, if steadily operated, would materially increase the supply of coal now annually put upon the market. This would no doubt have some influence in lowering the price of fuel, but we have but little reason to believe that the adoption of such a course would prove of much permanent benefit to the great mass of consumers throughout the country.

While the immediate cause of the present high price of coal is the strike on the part of the miners, it is equally true that the question of labor is of secondary importance, and that the temporary adjustment of the difficulty which assumes a new phase each year, would not bring down the price of anthracite to the lowest figure at which it could be profitably sold to the consumer. The coal business is at present practically controlled by four or five great transportation companies, who own and operate many of the mines, beside possessing the only avenues of communication with the markets; which enables them to manage those owned by individuals and corporations otherwise independent. The greatest of the carrying companies is the Reading Railroad, which has almost a monopoly of the coal

transportation from the Schuylkill region to Philadelphia, and carried in 1868 about 3,600,000 tons, besides the amount shipped by the Schuylkill Canal, which is controlled by the railroad company, amounting to about one million tons during the same period. From the Lehigh district there are two rival carriers—the Lehigh Coal and Navigation Company and the Lehigh Valley Railroad; the former owning the Lehigh Canal to Easton and leasing the Delaware Division Canal from that point to Philadelphia; and the latter having a road from the Wyoming Valley to Easton, with branches to other important points. From the Wyoming mines there are three coal routes: the Delaware and Hudson Canal, which last year carried some 1,640,000 tons of anthracite; the Delaware, Lackawana and Western Railroad carrying 1,700,000 tons in 1868; and the Pennsylvania Coal Company, a New York corporation, owning a road from Pittston to the Delaware and Hudson Canal at Hawley, and connecting with the Erie Railway. In 1868 this company carried about 950,000 tons to the New York market. It cannot be claimed that there is any combination between these carrying companies against the interests of consumers; but the relations existing between the mining and carrying companies are so close and intimate that the results are practically the same. As the leading transportation companies generally represent the entire capital invested in coal mining operations, no one but the consumer has reason to complain at a charge of two and a-half or three cents a mile per ton for carrying coal to market, when it is an admitted fact that it could be carried profitably for one and a-half cents. A single exception to this is found in the case of the Reading Railroad, which is complained of by the operators as charging a tariff of prices that absorbs nearly the whole profits of the trade of the Schuylkill region. These few facts are all that are needed to show that although there exists a rivalry between the carrying companies, the competition is not of a kind to result in benefit to the consumer.

A correspondent of the *Evening Post*, whose letters from the anthracite region evince a thorough knowledge of the subject of which he treats, estimates the carrying capacity of the five companies supplying the New York market from the Wyoming and Lehigh Valleys, at 10,000,000 tons annually, if fully and constantly employed. This amount is greater than could be sold at a wholesale price of five dollars per ton. The same authority states that the Reading Railroad and Schuylkill Canal could bring six millions tons more to Philadelphia; and that the various railroads and canals to the interior could distribute three million more; so that with existing facilities, nearly 19,000,000 tons could be distributed annually. With this abundant supply, which would not be in excess of the producing capacity of the mines, coal could be sold by the cargo at \$4.85 per ton and then yield a handsome

profit to all who were interested in mining or handling it. Under these circumstances the highest retail price would not exceed six dollars per ton. The disproportion between these figures and the prices now charged shows that there is a wrong somewhere, and it is reasonable to infer that it is not to the interest of the producing and carrying companies to right it.

It is probable, however, that the true solution of the coal question will soon be found in the establishment of an active competition with the anthracite interests of Pennsylvania. Fortunately, we are not dependent on any one locality for our supply of available mineral fuel. An area of more than two hundred thousand square mile of our territory is known to be covered with bituminous coal, and as this is nearly forty times as great as the entire coal deposits of Great Britain, the supply may be considered practically inexhaustible. These deposits are found in Maryland, Virginia, Western Pennsylvania, Ohio, Missouri and many other sections of the country, and even the least of them are considered sufficiently large to supply any local demand that is likely to arise. Of these almost boundless coal fields the most convenient to New York and the Eastern markets, are the Cumberland deposits of Maryland and Virginia, where mines are now actively worked by the Baltimore and Ohio Company. The retail price of this coal in the New York market is about \$7 50 per ton, and although less convenient for general use than Anthracite, can be burned in most ranges, furnaces and stoves, as well as in grates. The trade in this coal has fairly doubled within the past five years, and in 1868 over 1,300,000 tons were sent to market. If the price of Anthracite does not fall before cold weather, it is probable that the demand for bituminous coal will be largely increased, and as it can be mined cheaper than Anthracite, may at no distant day supercede it for general use. Should the demand exceed the supply obtainable from the Cumberland region, the bituminous deposits of Western Pennsylvania could easily make up the deficiency. There is another source besides those enumerated to which the people of the Northern and Eastern States are now turning their attention, and where it is hoped not only to obtain an abundant supply of cheap fuel, but also to find the only permanent remedy for the present and prospective disorders of our mining interests; the mines of British North America, and especially of the Province of Nova Scotia. The prominence lately given to these coal fields by the statements published concerning them in most of the leading journals of the United States, and the effort now being made to force the repeal of the tariff on foreign coal, in order to secure its introduction to the American market in competition with Pennsylvania Anthracite, shows that the extent and

quality of these deposits are not generally understood, and a few facts respecting them may be of interest to our readers.

The only coal deposits of Nova Scotia are bituminous, and the average yield of the veins already opened is no better than that now mined in the Cumberland region. There are but three important coal fields in the Province, those of Glace Bay, Sidney and Pictou. The mines of Glace Bay and its immediate neighborhood yield an excellent quality of gas coal, considerable quantities of which are now used in the gas works of Boston and New York, mixed with Pennsylvania gas coals. The mines of Sidney and Pictou are of less value, yielding only a limited quantity and of a much poorer quality, in no sense adapted to domestic use. As the demand for these coals is entirely local, and therefore limited, but few veins are opened and comparatively little capital is invested in mining operations. Should a new demand arise it is probable that abundant capital could be obtained in the United States for the opening of new veins, but under the circumstances we do not see that such a demand is likely to arise, even in case the tariff should be repealed at the next session of Congress, as it probably will be. The lowest price at which Nova Scotia coal can now be sold by the cargo at New York is \$9 per ton, including the duty of \$1 25 in gold. If this duty were repealed, Nova Scotia coal would still be worth more than Cumberland coal. The actual cost of mining in that Province is \$2 per ton, and of freight to New York \$3. This would equal in value the present wholesale price of bituminous coal, allowing no margin for profits to the producer and dealer, or the incidental expenses of handling. Cumberland coal is now selling at Alexandria for \$4 75 and at New York for \$6 75, cheaper than Nova Scotia coal could be imported duty free. Considered practically, therefore, and without any reference to the principles involved, we cannot see how the repeal of the tariff would be productive of any great benefit to the community. Evidently the movement in favor abolishing of the tariff arises from a popular over-estimate of advantages to be derived from the competition thus opened with Pennsylvania anthracite. In fact, it would seem as if the only immediate solution of the coal question was to be found in the more general use of our own bituminous coal, wherever it is possible to substitute it for anthracite. It is not likely that the present prices of the latter will long be sustained, but we have no reason to hope that, as long as the present demand for it continues, it will again fall to the comparatively low price at which it was sold in former years.

THE PUBLIC DEBT.

The purchase during the last few months of thirty-seven millions of government bonds by Mr. Boutwell, for which he has paid out about forty-five millions of currency, will no doubt be fully vindicated to Congress, in part by the provisions of the loan act of Feb., 1862, and in part by the beneficent results which have been conferred on the money market and on the movements of finance and business. Still, aside from these general results which Mr. Boutwell's policy has brought about in the domain of commercial and industrial activity, there are some points specially affecting the debt itself which are receiving attention and are likely to attract much discussion, as the time approaches for the opening of Congress. The first of these questions regards the Sinking Fund and the desirableness of changing the established policy of the Treasury which for several years has been allowed to go on without being challenged either by Congress, by the press, or by the people. What this policy is, will be easily inferred from the subjoined statement of the aggregate principal and interest at the close of each fiscal year since 1860:

Showing the amount of the Public Debt July 1, 1860-1869, inclusive, with the Interest thereon Annually, in Coin and Currency; also the equivalent of the total, both in Coin and Currency, adjusted on the basis of the average price of Gold in each Year:

July 1.....	Total debt outstanding at date *	Interest payable in—		Average price of gold.	Total equiv. in the—	
		Coin	Currency.†		Coin.	Currency.
1860.....	78	\$3,851,578	\$3,851,578	100	\$3,851,578	\$3,851,578
1861.....	85	5,271,853	5,271,853	100	5,271,853	5,271,853
1862.....	79	7,564,427	15,365,700	116	21,100,301	21,478,558
1863.....	31	17,140,876	25,629,697	146	34,660,941	51,024,191
1864.....	37	44,810,480	33,339,078	206	60,961,630	128,542,748
1865.....	85	64,521,607	83,491,619	164	113,737,270	188,453,386
1866.....	79	71,470,282	77,193,117	142	126,031,590	179,943,517
1867.....	16	91,604,125	43,900,851	136	127,521,191	173,524,312
1868.....	19	121,964,834	6,792,681	139	160,573,313	178,512,465
1869.....	35	124,359,943	5,501,669	127	128,273,928	175,730,021

From these figures it will be seen that since the fiscal year closed on the 30th of June, 1866, we have paid off 186 millions of the debt, and have reduced the principal from 2,783 millions in July, 1866, to 2,537 millions in July, 1869. In view of this fact, the requirement of the Sinking Fund law may be said to have been abundantly provided for, as the law only prescribes that one-tenth of the outstanding debt shall be paid or bought up every year, provided that the surplus coin revenue from customs duties shall be large enough to admit of such payment or purchase. If Mr. Boutwell had not bought a single bond since the 1st July last, then the Sinking Fund law would have been fully complied with, and enough has already been paid of the principal of the debt.

* Including non-interest debt and matured debt on which interest has ceased.

† Including Pacific Railroad 6 per cent loan bonds, viz.: in 1865, \$1,252,000; in 1866, \$2,042,000; in 1867, \$15,402,000; in 1868, \$22,210,000; and in 1869, \$25,828,220.

meet the requirements of the law for several years to come. The defence of the recent Treasury purchases of bonds, then, will have to meet the following objections: First, such purchases were not demanded by the strict letter of the Sinking Fund law; secondly, the five-twenty six per cent bonds, which are so rapidly bought up by the Secretary, do not mature or fall due for 18 years. In buying them he actually increases the public debt, as is proved by the fact that for every million of bonds which he cancels he has to pay out nearly \$1,200,000 of money. It is true that the income tax has just yielded 40 millions, so that the Treasury is full to overflowing. But the objectors inquire why Mr. Boutwell could not have cancelled and paid off more than 37 millions of debt with 45 millions of surplus tax receipts. We have a vast aggregate of debt payable on demand. This could be reduced at par. Why not pay off part of this demand debt instead of giving 20 per cent for the privilege of redeeming bonds eighteen years before maturity? Such are some of the arguments used against Mr. Boutwell's policy. And having detailed them, we are bound to say that that policy is now regarded with more favor than when it was first begun, and that many persons who criticised it the most severely are now disposed to approve it. The relief it has given to the money market is certainly the chief justification of this policy; and though we are by no means sure that the relief might not have been given in some other way, still the success Mr. Boutwell has achieved will no doubt justify his continuing his purchases for another month or even more. Moreover, if he were to stop now, most of the benefit of his past purchases would be lost. We do not profess to know how much of weight Mr. Boutwell may attach to these conflicting views, but the general impression is, that he is so well satisfied with the working and the popularity of his plans that he will not give them up for the present. Great anxiety prevails in Wall street to learn what will really be done, as our hopes of an easy money market and of a good fall trade depend largely on the course the Treasury may adopt in this matter; for, however much we may regret the fact, a fact it undoubtedly is, that the money market is under the control of the Treasury, and works easy or tight just as Mr. Boutwell locks up currency or pours it out from his vaults.

If we now leave the principal of our national debt, and turn our attention to the interest, we shall find the yearly aggregates very suggestive. The table we have compiled above shows how much of our annual payments of interest have been paid each year in gold and in greenbacks, as well as how much is the equivalent of the total interest when computed in currency. The reader will thus see what is the real pressure of the debt upon the resources of the nation. This is, after all,

one of the most important fiscal aspects of our national obligations. It is, of course, gratifying to see that the principal of the debt is gradually diminishing, but the interest must be paid to the day whatever happens while the redemption of the principal is voluntary, and depends upon our choice, and upon our surplus of national taxation, industrial growth and material prosperity. Many of our readers will no doubt be surprised to find that the interest aggregates on our public obligations, computed in coin, were larger last year, and constituted a heavier burden on the resources of the people than at any previous period in the history of our national debt.

THE FISCAL YEAR.

Last Wednesday a novelty was witnessed at the Treasury. The government advertised to buy two millions of its bonds from the public at market prices, but was unable to get so many, and were obliged to buy the remainder (\$863,000) on the following day. Whatever other reasons may help to account for this unprecedented scarcity, the chief reason, doubtless, was that a fall of 3@4 per cent had taken place, and that the holders of the bonds, in view of the prosperous fiscal report for the past year, and of the promising position of the Treasury for the coming year, regard their bonds as worth more than the current prices. The fiscal report for the past year is indeed very gratifying. Instead of the alarming deficit which was so confidently predicted, we have a surplus of income, amounting to about, 50 millions of dollars of which 45 millions have been gained under the present administration from April 1st to June 30th. Three things have conspired to give us this large surplus. First, the internal revenues have been better collected; secondly, there has been a great saving made in every department of the administration; and thirdly, the income tax has just brought into the Treasury some 40 millions of dollars. This last circumstance it is which has enabled Mr. Boutwell to engage to purchase with his surplus currency on hand six millions of United States bonds in June, nine millions in July and ten millions in August. It is claimed that these government purchases may have tended to deplete the supply on the market so as to give an artificial stimulus to the price. What of truth there may be in this conjecture will be seen when Mr. Boutwell ceases to buy and leaves the market to itself. This may perhaps be next month, for it is doubtful how far his currency balance, which is now running down, will justify the continuance of purchases in the present liberal scale. However this may be there is no doubt whatever that the improved credit of the government at home and abroad, which is indicated in the large advance and high rates of our bonds during

the past few months are largely due to the fiscal returns to which we have referred. The figures of this report are stated as follows for each of these four quarters:

UNITED STATES REVENUES AND EXPENSES—JUNE 30, 1869.

REVENUES.

	July 1 to Sept. 30.	Oct. 1 to Dec. 31.	Jan. 1 to March 31.	April 1 to June 30.	Total of fiscal year.
Customs.....	\$49,626,594	\$36,960,463	\$49,389,534	\$44,021,835	\$179,998,426
Internal taxes.....	88,785,866	80,431,386	82,599,537	56,587,674	159,122,249
Direct tax.....	15,536	746,938	8,312	.....	.....
Land.....	714,836	796,195	1,234,820	1,274,434	4,020,235
Miscellaneous.....	6,250,036	7,832,219	5,706,854	7,968,676	27,752,785
Total	95,812,868	76,769,201	88,984,057	109,847,619	270,893,745

EXPENSES.

	July 1 to Sept. 30.	Oct. 1 to Dec. 31.	Jan. 1 to March 31.	April 1 to June 30.	Total of Fis. year.
Civil service.....	\$21,217,101	\$10,910,060	\$11,506,895	\$13,121,000	\$56,824,061
Pensions and Ind.....	12,858,647	5,048,128	12,183,941	5,928,833	35,519,549
War.....	27,219,117	23,918,878	13,710,023	13,653,977	78,502,433
Navy.....	5,604,786	6,203,379	3,710,466	4,482,128	20,000,759
Interest.....	88,742,814	26,228,818	88,272,709	27,450,406	180,694,242
Total	\$105,152,470	\$72,317,748	\$79,894,084	\$61,636,344	\$321,041,041
Receipt over expenses.....					\$49,852,701
Of which gained in fourth quarter, April 1 to June 30, 1869.....					45,211,275

The foregoing statements are very suggestive. The customs duties have yielded 180 millions, against 164 millions last year, 176 millions in 1867, 179 millions in 1866, 84 millions in 1865, and 102 millions in 1864. The customs duties may now be regarded as yielding an assured revenue of 160 to 180 millions. This sum could not probably be increased with advantage. But a due regard to the public credit will not allow it to be diminished, for on it we are dependent for the means to pay the interest on our national debt.

In last year's internal revenue aggregates, there is a great decrease. The amount was only 159 millions, against 191 millions the previous year, 266 millions in 1867, 309 millions in 1866, 209 millions in 1865, 109 millions in 1864, and 37 millions in 1863, which was the first year of its collection. The falling off in the internal revenue receipts is due, of course, to the repeal of taxes, and the decrease would have been much more but for the stringent and faithful collection of the taxes, especially of those on whiskey and tobacco, which have been of late enforced with a precision and impartiality unattained before under our revenue system. The general opinion seems to be, that our internal revenue might with advantage be still further simplified, and that all the minute and less productive taxes should be swept from the statute-book altogether. There are not a few persons who believe that the income tax, the whiskey tax, and the tobacco tax, if faithfully collected, would yield almost all that can safely be levied in this country by internal taxes.

Leaving this vexed question of taxation, however, it is gratifying to glance

at the other side of the balance sheet. Our navy has cost 20 millions against 25 millions in 1868, 31 millions in 1867, 43 millions in 1866, and 122 millions in 1865. The army cost last year 78 millions against 123 millions the previous year, and 95 millions in 1867. The civil service cost us 56 millions last year, and the pensions and Indians 35 millions. From the lack of detail, these items cannot be at present conveniently compared with those of previous years. We shall probably resume these considerations hereafter. The result of our analysis, so far as it has been pursued, is amply sufficient to confirm the opinion of those who see in the high prices of our government bonds a result of the improving fiscal strength of our National Treasury.

THE JUNE STATEMENTS OF THE NATIONAL BANKS.

Elsewhere are detailed our usual tabular returns of the National banks, as shown by the quarterly statement of 12th of June. These figures will be scrutinized with unusual anxiety. They show in one view the condition of the National banks at the close of the severest and most prolonged period of financial stringency on record. It will be useful to compare this report with that made on the 17th of April, in the early part of the monetary trouble. Two principal points offer themselves for special inquiry. The first regards the deposits of the banks, and the other their reserves; but both alike have to do with the strength of the banks themselves and the general stability of our financial system.

With regard to the bank deposits, we find that their aggregate amounts to \$574,367,383, being about twenty-seven millions more than in April. These twenty-seven millions represent the accumulation of idle capital which usually finds its way into the banks and lending institutions during the summer. This accumulation will be less this year than usual, for several reasons. First, the South has absorbed, and is still absorbing, immense amounts of floating capital, part of which would otherwise be on deposit in Northern banks. Secondly, there is an unusual expenditure going on in every part of the country for improvements of various kinds. Both these causes tend to use up floating capital and to diminish by consequence the deposits of such funds in bank. A third cause, tending in the same direction, may be found in the depression of business which during the last six months has impoverished large multitudes of the dealers in our banks, and has prevented their keeping their balances as large as formerly. This fact is in part modified, however, by the results of speculation which have made a few persons and speculative cliques enormously rich at the expense of impoverishment to legitimate business. The large balances which some of these parties can afford

to keep in bank produce some of those severe spasmodic movements of deposits which have played a prominent part in the manipulation of the money market since last New Year's day. Here, too, we see one of the serious dangers of the financial situation. The banks are liable at critical moments to be seriously incommoded by the manœuvres of the tight money cliques who have on deposit prodigious sums which can at any time be checked for at sight. What remedy can be applied to avert this notorious danger does not as yet appear. The banks owe it however to themselves to take some appropriate action. They enjoy their privileges, not only for their own profit, but for the convenience of business, and that they may supply a financial machinery which shall work smoothly without spasms or jerks. If our existing national banks cannot give us such a machinery, Congress will be called upon to interpose. It is better, therefore, that the banks should exert themselves and correct this evil before it goes any further. Several plans for combined action have been proposed, but the necessity for some action is imminent.

The second point relative to the strength of our banking system, which is suggested by the statement before us, has reference to their reserves. Here the public will be glad to see a decided improvement. We have repeatedly called in question the propriety of that provision of the law which allows the banks to hold interest-bearing securities of various kinds as part of their reserve. Waiving this objection, however, the 151 millions of reserve which they hold against 733 millions of demand liabilities, gives a larger per centage than that of the preceeding statement. It will indeed be a fortunate thing for the country if the banks determine to protect themselves against the possible financial troubles of the autumn months by increasing considerably their reserve funds, and especially that part of them which is held in greenbacks. Scarcely any policy which the banks could propose for themselves would have so salutary an influence, or would tend so surely to prevent the incipient movements towards a financial panic.

In other respects the returns before us offer few changes of importance. The only point requiring notice is that the government deposits remain at about the same level as in April, so that the reports are incorrect which ascribed in part the late stringency in the money market to the sudden withdrawal of these deposits from the banks.

THE ERIE CANAL AND THE RAILROADS.

Some weeks ago in treating of land and water transportation for agricultural products, we urged the importance of a reduction of rates to the

lowest possible limit and the abandonment of restrictions local or otherwise upon internal traffic. There then appeared to be an unusual interest on this subject among commercial men, shippers to the seaboard, all along the lakes and the canals to the Mississippi. Committees were sent out to consult with the merchants of the lake ports, and there seemed to be an understanding that the local rates should be uniformly reduced and then maintained at the reduced figure. We do not understand that this arrangement has been carried out. Had it been, the charge per ton on wheat from Chicago to this city would have been reduced from \$9 64 to \$6 98, and on corn from \$9 06 to \$6 51, leaving the State tolls unchanged. There was a strong hope that the canal tolls would also be reduced. The prominent canal men of the State favored the reduction. The Governor spoke encouragingly with regard to it. Still no change was made. Local charges for handling, shoveling, elevating, &c., were reduced at Buffalo, however, from some 2½ cents to about one-fourth of that amount. But the ports at the West, to whose charges exception had been taken, made no reduction, or if they did the change was temporary, or rather in the way of mutual competition, than for the sake of compliance with any uniform rule applicable alike to canal and lake ports. Of course so far as the Western cities were concerned, they had less interest in the reduction of charges than the canal ports of this State. With rates as high as they had been, the railroad was likely to come in as a successful competitor, but the lake ports would lose only such grain as would avoid the water routes entirely by taking the cars at interior ports directly for the East. These lake ports, with their great facilities for receiving and shipping grain, would continue to gather the crop largely to them, and once there, it was of little importance to them what route it would take in seeking the sea board; that would be determined by the rate of transportation. Their real interest in the reduction proposed along the line, was simply to govern the direction of the trade, and to bring to them such portions of the crop as oscillated between the solicitation of the lake ports and other interior shipping points.

The natural result of these continued high rates by water is seen in the successful competition of the railroad from Buffalo to the sea board, with the Erie Canal. Within the past two weeks the railroad managers placed their charges on grain from Buffalo to New York at 25c per 100 lbs., or, for wheat 15c a bushel, for corn 14c, for oats 8c, and for flour 60c per barrel. The canal charges were for wheat 14c a bushel, for corn 12c, for oats 7½c, and for flour 48c per barrel. By railroad this produce would be brought in three days; by canal twenty days would be required. The shipper has his return in the first case so much quicker than in the last, that the minute difference in the rate would hardly be

an object worthy of consideration. Now it is to be noticed here that of the canal charges about one-half are for tolls. Wheat pays about 6c a bushel. The other articles pay in like proportion. Is it not then easy to see that interest and profit alike demand a large reduction of these tolls? Experience must certainly soon teach that, and also the further lesson that the canal facilities of this State need enlargement. As we remarked a few weeks since, as little as possible should be taken from the producer and consumer for transportation charges for the whole country reaps the benefit of any reduction in these rates. Besides, the present canal tolls are actually a discrimination in favor of railroads, and at this very time they are taken advantage of by the shrewd men who control the railroad interests.

CHICAGO AND NORTHWESTERN RAILWAY.

The annual report of the Chicago and Northwestern Railway Company for the fiscal year ending May 31, 1869, has just been published, and taken as a whole, must be considered the most favorable report yet issued. The gross earnings of the road, on a mileage nearly the same as in the previous year, show the important increase of \$1,326,496, while the per centage of operating expenses to earnings is only 56.84 per cent (taxes included), against 62.42 per cent in 1867-8. The result of the economy of operations will more fully appear by a comparison of the gross and net earnings for the last two years, as follows:

	Gross earnings.	Net earnings.
For the year ending May 31, 1868.....	\$12,614,846 46	\$2,362,362 51
For the year ending May 31, 1869.....	13,941,843 19	2,566,070 26
Amount of increase.....	\$1,326,496 73	\$1,203,707 75
Per centage of increase.....	10 52-100	50 9-10

Liberal outlays have been made during the year for permanent improvements and equipment; the funded debt has been decreased \$783,000, part of which was by the payment of bonds in cash; two dividends of 5 per cent each in cash have been declared and paid (the latter June 30, 1869); and the balance of \$281,771 remains on hand to be carried to the income account of next year. Details of the new issues of stock, and the several changes which have taken place in the funded debt are given at length below. It is to be noticed that the Directors of the Northwestern Company have pursued the policy of giving full information to their stockholders of all its affairs—the weekly and monthly earnings of the road are promptly issued, as also its annual report at the close of the fiscal year, and inquiries made at the office of the Company are courteously answered. This policy has the natural effect of inspiring confi-

dence among dealers in its stock, and makes the "Northwest" Common and Preferred especial favorites at the New York Stock Exchange. Since the close of the fiscal year the Company has been called upon to lament the death of its distinguished President, Mr. Henry Keep, to whose great energy and ability the success of the Northwestern Company is largely due. Mr. Keep was considered by many persons as, without exception, the ablest railroad man in this country, and by all, his extraordinary talents were fully acknowledged. The highest eulogy which can be pronounced upon him as a business man, is to say that he managed the properties committed to his care with great integrity and always for the benefit of the stockholders interested. Without taking a romantic view of the subject, it may truly be said, that there are hundreds of persons of limited means in this country, who bless the memory of Mr. Henry Keep, as the man to whom they are indebted for an income, out of property which was once considered almost worthless.

The lines of railroad owned, leased and operated by the Chicago and Northwestern Railway Company at the termination of its fiscal year, ending May 31, 1869, were as follows:

WISCONSIN DIVISION.....	314.6 miles.
Chicago, Ill., to Fort Howard, Wis.....	242.2
Kenosha, Wis. to Rockford, Ill.....	72.4
GALENA DIVISION.....	261.0 "
Chicago Ill., to E. bank of Mississippi (opp Clinton, Ia).....	137.0
Junction (80 m. W. Chicago) to Freeport, Ill.....	91.0
Elgin (42 m. N. W. Chicago) to Richmond, Ill.....	83.0
IOWA DIVISION (<i>leased lines</i>).....	354.0 "
Bridge, E. bank of Mississippi, Ill. to Clinton, Ia.....	1.1
Chicago, Iowa and Nebraska RR.—Clinton to Cedar Rapids, Ia....	81.3
Cedar Rapids and Missouri River R.R.—Cedar Rapids to Missouri River	271.6
MADISON DIVISION.....	67.6 "
Belvidere, Ill., (78 m. W. Chicago) to Madison, Wis.....	67.6
PENINSULA DIVISION.....	73.8 "
Escanaba, Mich., to Cleveland Mines, Mich.....	67.9
Branches and Extensions to mines.....	5.9
MILWAUKEE DIVISION—Chicago, Ill., to Milwaukee, Wis.....	85.0 "

Total length of railway owned, leased and operated, 1,156 miles; second track, 30 miles, and sidings (in Chicago 37.6, and on lines 144.1) 181.7 miles; gauge, 4 feet 8½ inches.

The stock of locomotive and cars on hand at the date of consolidation, and at the termination (May 31) of each subsequent year are as follows:

		June 1, '64.	1865.	1866.	1867.	1868.	1869.
Locomotives	{ 1st class.....	94	123	139	203	204	206
	{ 2d class & switchings.....	28	31	33	44	44	49
	{ Total number.....	122	154	172	247	248	255
Description and number of cars :							
Passenger	{ 1st class.....	71	79	103	112	118	135
	{ 2d class.....	15	15	21	21	21	30
	{ Total.....	86	94	124	133	139	155
Caboose and way.....		79	83	99	117	137	149
Baggage, mail and express.....		79	75	83	101	107	109
Boarding.....		..	..	2	4	4	4
Freight	{ Box.....	1,892	2,060	2,230	3,554	3,560	3,63
	{ Platform.....	366	611	737	901	901	904
	{ Cattle.....	169	109	207	2-7	397	311
	{ Coal.....	53	53	53	53	73	53
	{ Total.....	2,420	2,773	3,227	4,515	4,834	4,921
Iron ore.....		....	214	322	519	522	535
Total of all cars.....		2,655	3,239	3,857	5,069	5,733	5,553

REVENUE, EARNINGS, EXPENSES, ETC.

The following statement exhibits the sources and amount of revenue, and the objects of disbursement, in each of the our years ending May 31, 1869:

	1865-6.	1866-7.	1867-8.	1868-9.
Passenger earnings.....	\$2,510,727	\$2,945,016	\$3,593,031	\$3,990,998
Freight	5,393,191	6,649,589	8,266,809	9,291,478
Express	157,157	346,016	464,405	316,164
Mail	77,060	124,485	172,605	175,959
Miscellan's	105,108	96,627	187,994	160,742
Total gross earnings	\$8,243,840	\$10,161,735	\$12,614,846	\$18,941,843
Operating expenses.....	\$5,072,959	\$6,724,265	\$7,488,484	\$7,507,540
U. S. taxes on earnings.....	200,169	107,611	89,245	99,711
U. S. revenue stamps.	4,514	5,680	6,152	4,915
State and county taxes.....	249,439	266,426	289,764	312,852
Total oper'ng expen's & taxes.....	\$5,527,088	\$7,103,993	\$7,873,646	\$7,924,519
Earnings less expenses.....	\$2,716,756	\$3,057,742	\$4,741,199	\$6,016,823
Expen. to earn'gs (excl've of taxes).....	61.54 p c.	66.17 p.c.	59.86 p. c.	53.85 p.c.
Taxes to earnings	5.50	8.74	3.06	2.99
Expen. to earn. (incl've of taxes).....	67.04	69.91	62.42	56.34

The following is a statement of the gross earnings monthly for the same years :

	1865-6.	1866-7.	1867-8.	1868-9.
June ..	\$747,943	\$925,983	\$883,653	\$1,180,932
July.....	702,091	708,523	888,214	1,076,673
August	767,508	797,474	1,063,236	1,251,940
September.....	946,707	1,000,085	1,448,912	1,507,479
October.....	932,682	1,200,215	1,541,056	1,570,066
November	754,671	1,010,892	1,211,530	1,107,083
December	547,842	712,358	879,900	1,001,986
January	623,565	696,146	724,889	892,092
February	809,917	574,664	807,477	830,286
March	523,844	765,398	850,192	1,142,165
April	587,518	774,279	1,094,597	1,112,190
May	855,948	895,711	1,211,149	1,268,444
Yearly earnings.....	\$8,243,840	\$10,161,735	\$12,614,846	\$18,941,843
Yearly earn'gs per mile operated	\$3,917 08	\$9,888 80	\$10,937 09	\$12,059 99
Yearly expen's per mile operated.....	5,978 45	6,918 19	6,226 47	6,265 12
Yearly profits per mile operated.....	2,938 63	2,975 61	4,110 62	5,204 87

The earnings and expenses by divisions for the years 1867-68 and 1868-69 was as follows:

Divisions.	1867-8.		1868-9.	
	Gross earnings.	Operating expenses.	Gross earnings.	Operating expenses.
Wisconsin.....	\$3,156,059	\$2,009,178	\$3,143,69	\$1,876,094
Ill. na.....	4,298,657	2,482,706	4,622,896	2,353,006
Ind. na.....	5,415,695	2,360,961	4,290,894	2,679,526
Madison	226,797	153 375	227,883	149,666
Michigan.....	445,123	278,837	534,085	317,785
Milwaukee.....	1,077,617	593,592	1,122,114	558,440
Total.....	\$12,614,846	\$7,873,646	\$18,941,843	\$7,924,519

INCOME ACCOUNT—DISPOSITION OF REVENUE.

The following table exhibits the nett receipts from earnings, and the mode of their disbursement for the four fiscal years, as above:

	1865-66.	1866-67.	1867-68.	1868-69
Balance from previous year.....	\$157,603	\$483,988	\$468,224	\$20,174
Nett earnings in year.....	2,716,766	3,057,742	4,741,199	6,016,823
Total resources.....	\$2,874,369	\$3,541,730	\$5,209,424	\$6,037,297

Disbursed on the following accounts :

Interest and exchange (including interest and dividends on the Chic. and Milw. RR. and the Beloit and Mad. RR. bonds and stocks.....	{ 942,796	1,275,394	1,342,878	1,209,986
Sinking funds.....	{ 65,120	59,120	53,120	45,120
Chic. Iowa & Nebr. RR. Rent.....	{ 365,831	372,411	562,990	670,374
Cedar R. & Mo. Riv RR. rent.....	{ 152,690	265,819	419,848	475,300
Discount on securities sold.....	415,799	117,834	.....	.....
Dividends on preferred stock.....	447,185	932,000	*1,322,180	1,671,801
Dividends on common stock.....	.....	.....	*1,486,980	
Total disbursements.....	\$2,290,372	\$3,073,506	\$5,188,947	\$4,122,642
Balance to next year.....	\$452,968	\$468,214	\$20,476	†\$1,914,656

Since the beginning of the last fiscal year, on the 1st of June, 1868, the funded debt has been decreased to the extent of \$783,000, and this amount, added to the amount of \$275,000 of 10 per cent equipment bonds paid off on the 1st of May, 1868, as stated in the last annual report, shows a total decrease of the funded debt, in the last two years, of \$1,058,000. Of this amount there has been paid off in cash—

10 per cent equipment bonds.....	\$225,000 00
1st mortgage, and Beloit and Madison 7 per cent bonds.....	10,000 00
	\$235,000 00
Amount retired by the conversion of consolidated sinking fund, and Peninsula bonds, and by exchange of 7 per cent equipment bonds.....	223,000 00
Total.....	\$1,058,000 00

The share capital of the company has been increased during the year \$337,296, of which \$34,486 has been an increase of common stock, and \$302,810 an increase of preferred stock; all of which has been issued for the conversion of bonds, and in exchange for Beloit and Madison, and Chicago and Milwaukee Railway stocks.

The condition of the company on the 31st of May, 1869, in respect to its stock and bonds, is as follows:

Amount of common stock.....	\$14,590,161 61
“ “ preferred stock.....	16,659,097 42
“ “ bonds as per schedule appended to report.....	17,240,400 00
Total of stock and bond.....	\$48,539,659 03

Three payments of the 10 per cent equipment bonds, issued September 1st, 1866, have already been made as they matured, in the respective amounts of \$275,000 every six months; and two more of such payments, amounting together to \$550,000, will accrue and be paid in November and May of the current fiscal year, ending with the 31st of May next.

No new issues of bonds have been made to replace the amount of these maturing bonds, nor for any other purpose; but in view of these payments, which will materially decrease the funded debt, and of the large expenditures during the year for additional equipment and permanent

* 10 per cent payable on stock. Out of which dividend 5 per cent (\$1,632,895) was paid June 30, 1869, leaving balance to income of \$281,771.

improvements before referred to, the Board of Directors authorized, on the 26th of May last, the issue and sale of fifteen thousand shares of the preferred stock of the Company—as an increase of its capital—to be consummated by the delivery of the stock on the 1st of July, 1869.

The stock was all disposed of, as of that date, at its par value, and its issue, which was subsequent to the close of the last fiscal year, will appear in the next annual report.

At the date of the last report there was outstanding of Chicago and Milwaukee Railway stock \$153,400, and of Beloit and Madison Railroad stock \$10,000, not owned by this company. These amounts have, during the year, been reduced to \$41,090, and to \$8,214 respectively, by exchanges for the preferred and common stocks of this company; the balance still outstanding of \$49,304, is mostly in small amounts, and may be exchanged on presentation, at the option of the company, at any time.

GENERAL BALANCE SHEET.

The financial condition of the Chicago and Northwestern Railway Company May 31, 1866–69, four years, is shown in the following abstract:

	1866.	1867.	1868.	1869.
Capital stock—common.....	\$12,147,901	\$12,232,495	\$14,555,675	\$14,590,161
“ —preferred.....	12,019,055	14,789,125	16,356,287	*16,659,097
Bonded debt.....	14,051,000	16,251,000	15,976,000	15,202,000
Bonds of leased roads guar.....			2,097,000	2,058,410
Net floating debt.....	277,150	1,123,476	226,264	317,065
Balance of income.....	482,988	462,224	20,076	1,914,656
Total	\$41,006,096	\$45,564,322	\$49,282,104	\$50,771,379

Per contra: the charges which follow—

Old construction.....	\$35,079,585	\$35,272,814	\$39,811,092	\$39,925,533
New construction.....	1,249,240	1,770,856	2,777,203	3,646,862
New Equipment.....	1,589,985	4,828,399	4,958,809	5,221,400
Securities on hand	1,903,709	2,629,593	629,179	848,000
Materials on hand	1,203,625	1,863,158	1,055,728	1,169,578
Total.....	\$41,006,096	\$45,564,322	\$49,282,104	\$50,771,379

STOCKS, BONDS, ETC., OWNED BY COMPANY.

The “securities on hand” given as an aggregate in the balance abstracts above, are enumerated at large in the following summary:

	1866.	1867.	1868.	1869.
St & Md Mort.(Gal. & Chic. Union RR) bds.....	\$253,000	\$293,000	\$284,000	\$236,880
St Mo t.(Ced. Rpsds & Mo. Riv. RR) bds.....	27,500	....	....	....
St Mort. Bel & Mad. RR) bds.....	....	....	....	....
Terling Bridge Co's, stock	2,000	2,000	2,000	1,500
Sub. & Sioux City RR Co's pref. stock.....	8,804	8,804	....	....
Sub. & Sioux City RR Co's 1st Mort. bds.....	6,000	6,000	....	....
La Crosse and Weyauwega town bonds.....	2,100	2,100	2,100	2,100
Propeller “Favorite” stock.....	10,455	10,455	....	....
Chicago & Mil. R R Co's stock.....	1,274,350	2,018,200	....	....
La. Trust bond*, C. & N. W. Co.....	45,000	....	....	....
Consol. sfg. Rd bonds “ “	50,000	....	....	....
Minnesota RR 1st Mort. bonds	143,000	....	....	....
Equipment bonds, C. & N. W	83,000	....	....	....
La Crosse & Northwestern RR Co's bonds.....	4,000	4,000	4,000	4,000
Green Bay Transit Co's stock and loans .....	....	274,200	....	....
Northern Pacific RR subscription .....	....	11,338	20,000	24,000
St. Paul & Chicago RR 1st Mort. bonds.....	....	....	17,000	17,000
“ “ “ loans .....	....	....	69,579	69,585
St. Paul and Milwaukee RR bonds .....	....	....	1,500	4,000
St. Paul & St. Peter RR stock and bonds....	....	....	330,000	330,000
Refor coupons of W. & St. P. RR 2d Mort. bonds...	....	....	....	77,700
Advanced W. & St. P. RR on account of Missouri River Extension.....	....	....	....	82,584
Total securities.....	1,908,709	2,629,593	629,179	848,000

*15,000 shares of preferred stock since issued making the total \$18,159,097.

The stock of the Chicago and Milwaukee Railroad Company, which figures largely in the returns for 1865, '66 and '67, has been carried to construction and so charged off. There is still a fraction in other hands amounting to \$41 090; the total amount was \$2,250,000. Of the Beloit and Madison Railroad Company's stock but \$8,214 remains in foreign hands. With these trifling exceptions the whole property of these companies has been absorbed by the Chicago and Northwestern Railroad Company.

FUNDED AND GUARANTEED DEBT.

The funded debt at the close of the years 1866-69, both inclusive, stood as follows :

	1866.	1867.	1868.	1869.
Flagg Trust 8 p. c. bonds.....	\$245,000	\$200,000	\$.....	\$.....
Prof. skg. fund 7 p. c bonds (C. & N. W., 193 m.) 1885	1,250,000	1,250,000	1,249,000	1,149,500
Funded coupon 7 p. c. bonds (C. & N. W., 193 m.) 1888	756,000	756,000	755,000	758,000
Gen. 1st mort. 7 p. c. bonds (U. & N. W., 193 m.) 1885	2,600,000	2,600,000	2,595,000	2,594,500
Appleton extension 7 p. c. bonds (C. & N. W., 23 m.) 1885 ..	184,000	184,000	184,000	184,000
Green Bay extension 7 p. c. bonds (C. & N. W., 26 m.) 1885.....	300,000	300,000	290,000	300,000
Equipment 7 p. c. bonds (O. & N. W.) 1874...	330,000	165,000	182,000	101,000
1st mort. 7 p. c. bonds (Gal. & Chic. U. RR., 249 m.) 1882	1,948,000	1,919,000	1,919,000	1,919,000
2d mort. 7 p. c. bonds (Gal. & Chic. U. RR., 249 m.) 1875.....	1,282,000	1,173,000	1,029,000	1,029,000
Miss'pi River Bridge 7 p. c. bonds (Gal. & Chic. U. RR. 249 m.) 1884.....	200,000	200,000	200,000	200,000
Elgin & State Line RR. purchase 6 p. c. (Gal. & Chic U. RR., 249 m.) 1878.....	189,000	189,000	189,000	189,000
Peninsula RR. 1st. mort. 7 p. c. bonds, 712 m.) 1898....	1,200,000	1,073,000	1,075,000	1,010,000
Consol. skg. fund 7 p. c. bonds (C. & N. W., 803 m.) 1915.....	2,627,100	2,040,000	2,432,000	2,275,000
Equipment 10 per cent bonds, 1868-71.....	....	2,200,000	1,925,000	1,575,000
Total funded debt.....	\$14,051,000	\$16,251,000	\$15,975,000	\$15,302,000

The "bonds guaranteed" by the Company are as follows:

1st mortgage 7 per cent bonds (Chic. & Mil. RR., 45 m.)	1874.....	\$377,000
3d " " " (" " " ")	1870.....	37,900
2d " " " (Mil. & Chic. RR., 40 m.)	1874.....	181,000
3d " " " (" " " ")	1894.....	10,500
1st " " " (C. & M. Railway, 85 m.)	1898.....	1,098,000
1st " " " (Beloit & Mad. RR., 46 m.)	1898.....	\$33,000

Bonds of leased roads guaranteed by company.....	\$2,035,400
--	-------------

MARKET PRICES OF COMPANY'S STOCKS.

Statement of the lowest and highest prices of the stocks of the Chicago and Northwestern Railroad Company at New York in each month from June, 1864, to the close of the fiscal year ending May 31, 1869.

COMMON STOCK.

Norths.	1864-5.	1865-6.	1866-7.	1867-8.	1868-9.
June ..	60 @ 50	23 @ 27	28½ @ 21¾	34½ @ 44	65½ @ 72
July.....	48½ @ 58	26 @ 30¾	30 @ 37	41 @ 51¾	73 @ 4½
August.....	52½ @ 57¾	26 @ 31	35½ @ 37¾	44½ @ 50	80 @ 53½
September.....	44½ @ 54	27½ @ 29½	34 @ 37¾	38½ @ 47	84 @ 4½
October.....	34 @ 46	29½ @ 34½	38 @ 40¾	41½ @ 48	88½ @ 97½
November... .	40½ @ 47¾	31 @ 39¾	39½ @ 63½	47 @ 5½	73 @ 90½
December.....	38 @ 44½	34½ @ 37¾	43 @ 55½	55 @ 5½	74½ @ 96½
January.....	32 @ 40½	28 @ 36¾	38 @ 46½	53½ @ 72½	81 @ 91½
February.....	32½ @ 47	26½ @ 31½	34½ @ 39½	53½ @ 61½	82 @ 4½
March.....	27 @ 31	25½ @ 27¾	32½ @ 36	63 @ 63½	81 @ 53½
April.....	21½ @ 35¾	25½ @ 29¾	29½ @ 36	60 @ 64	86 @ 7½
May.....	21½ @ 33	27 @ 29¾	31½ @ 36¾	63 @ 70	83 @ 94
Year.....	20 @ 50	23 @ 29¾	28½ @ 52½	34½ @ 70	65½ @ 97½
June, 1869, 77½ @ 93½; July, 78½ @ 82.					

PREFERRED STOCK.

Months.	1864-5.	1865-6.	1866-7.	1867-8.	1868-9.
June.....	83 @91½	58 @57	58 @61½	58½@64½	77½@84½
July.....	84 @93	58½@66	59½@66½	65 @78½	78½@84½
August.....	85½@91½	58½@64	66 @68½	67½@71½	79½@83½
September.....	77 @53½	60½@64	65½@72½	68 @71½	83½@91½
October.....	67½@81	62½@69	72½@81	64½@70	88 @98½
November.....	75½@85½	64½@69	69½@82	62½ 67½	77½@91½
December.....	69½@88½	61 @65½	68½@84½	66½@71½	75½@88½
January.....	61½@71½	53½@62½	58 @88	70½@76	83½@92
February.....	61½@67½	53½@56½	63½@69½	72 @75½	80 @92½
March.....	48 @64	52½@57	59½@65½	72½@76½	89½@92½
April.....	48 @67	58½@9½	56½@65½	68 @76½	91½@98½
May.....	52½@68½	56 @81½	56½@68½	75 @80½	96½@106½
Year.....	48 @74½	52½@69	56½@84½	58½@80½	75½@106½
June, 1869, 93½@105½; July, 93½@96½.					

Former notices of this Company will be found in the MAGAZINE, of December, 1865, September, 1867 and November, 1868.

MARIETTA AND CINCINNATI RAILROAD (AS REORGANIZED.)

The original Marietta and Cincinnati Company became insolvent in 1857, and the property passed into the hands of a receiver. At that date about \$12,000,000 had been expended on the work, of which \$3,500,000 was share capital, \$6,000,000 mortgage bonds, about \$1,200,000 domestic bonds, and \$1,500,000 floating debt. On the 15th of August, 1860, the company was reorganized on a capital of \$8,000,000, all the mortgage bonds having been surrendered and cancelled, and the old stock and unsecured debts wiped out by virtue of foreclosure and sale. Thus the new company took the property free from all debts and incumbrances, except a loan of \$200,000 made by the trustees for the purpose of effecting the transfer.

What is now the Marietta and Cincinnati Railroad is made up of the old line, which extended from Blanchester to Harmer, and of several roads that were purchased by the company, chiefly with stock, soon after the reorganization of 1857. These were the Hillsboro' and Cincinnati, extending from Loveland, on the Little Miami Railroad, to Hillsboro', and which now constitutes a portion of the main line, and a branch from Blanchester to Hillsboro'; the Union Railroad, connecting the main line with the Parkersburg branch of the Baltimore and Ohio Railroad, which is to be more closely connected with that great line by a bridge over the Ohio river, now being built; also the Scioto and Hocking Valley Railroad, now called the Portsmouth Branch. The scheme of the work includes an extension into Cincinnati, of which about seven and a half miles still remain to be constructed. The improvements, when perfected, will make up a line of uniform gauge from Baltimore to Cincinnati, virtually under one direction, and if in the future the gauge of the Ohio and Mississippi Railroad be changed from the wide to the

narrow gauge, a line from Baltimore to St. Louis and West, via the Pacific Railroad of Missouri and connections to the cities of the Pacific Slope and Coast. It is scarcely possible that those interested in this great project can fail to perfect the plan thus laid out, and furnish Baltimore with the means of developing its natural share in the over-commerce of the continent. The extension into Cincinnati will also give the road a valuable connection via Indianapolis west and north.

The lines of the present company may be described as follows:

		miles
Main line:	Harmer to Cincinnati, Hamilton and Dayton Railroad.....	196 3
Branches:	{ Blanchester to Hillsboro.....	21 3
	{ Hamden to Portsmouth.....	38 3
	{ Scott's Landing to Belaire.....	9 9
Total road owned by company.....		274
Leased: Cin. Ham. and Dayton (Junction to Cincinnati).....		1

The length of sidings and other second tracks is about 22 miles. The iron ranges from 56 to 60 lbs. to the yard. Previous to the construction of that part of the road west from Loveland, the company's trains reached Cincinnati via the Little Miami Railroad, for which privilege they paid \$60,000 a year. They now pay to the Cincinnati, Hamilton and Dayton Company, for the use of seven and a half miles of road, \$25,000 a year, and to the Cincinnati and Indiana Company, for the use of depot, &c., in Cincinnati, \$5,000 a year.

The company have 52 locomotives and 580 cars, of which latter 24 are passenger, and ten baggage, mail and express the remainder being freight cars.

The mileage made by engines hauling trains in 1868 was as follows: Passenger trains, 450,760; freight, 471,380; wood, &c., 180,760, and construction, 87,700—total, 1,190,600 miles. The number of passengers transported on the lines was 311,805, and the quantity of freight, 328,577 tons. It does not appear that the through business of the lines is extensive, the number of passengers between Cincinnati, Harmer and Belpre having been only 4,419, and the tons of freight only 12,652. The earnings in the same year amounted to \$1,295,367 55, of which \$82,206 43 was from through passengers, and \$196,586 01 from way passengers. This through business has increased yearly, and when the termini are completed, the prospects are favorable to a large development of this branch of the business of the line. The expenses of operating in the same year were \$1,117,617 35, leaving net earnings at \$177,750 20. This amount was not sufficient to pay even the interest on the company's first bonds, and hence the debt of the company was largely increased. In the following table we give the earnings of the road for five years:

	—FARE—		—PASSENGER—		Mail, Exp. &c.	Total Amount
	Local.	Through.	Local.	Through.		
1864.....	\$452,167 86	\$66,000 00	\$466,313 74	\$600 00	\$53,063 65	\$1,025,165 20
1865.....	445,662 52	147,190 57	592,763 51	1,000 00	60,429 56	1,201,045 15
1866....	591,879 75	103,078 29	412,974 79	20,896 00	74,547 63	1,203,419 56
1867.....	675,870 45	125,628 88	872,696 29	29,877 00	74,451 85	1,205,514 67
1868.....	656,549 29	196,596 01	838,741 45	22,206 48	71,181 27	1,205,397 55

These figures are scarcely encouraging, but when the connections east and west are completed, there will, undoubtedly, be a large increase in the annual receipts. The balance to the loss of the company increased in 1868 from \$435,685 38 to \$874,373 65, or, by the large sum of \$438,688 27. The financial status of the company on January 1, 1864, and January 1, 1869 (five years apart), is shown in the following abstract of the general balance sheets of date :

	1864.	1869	Increase	Decrease
Shares, 1st preference.....	\$5,445,442 21	\$8,180,719 44	\$2,685,277 23	...
" 2d "	3,483,571 97	4,460,868 28	976,796 25	.....
" common.....	1,850,000 00	2,029,778 25	179,778 25	.....
	<u>\$10,779,014 18</u>	<u>\$14,620,865 97</u>	<u>\$3,841,851 74</u>	<u>.....</u>
Bonds, 1st mort. sterl'g....	\$1,000,000 00	\$1,050,000 00	\$50,000 00	.....
" " curr'cy.....	609,977 84	2,454,842 51	1,844,864 67	.....
" 2d mortgage.....	.....	2,500,000 00	2,500,000 00	.....
" Scioto & H. Val.....	.....	800,000 00	800,000 00	..
Baltimore loan to Union Railroad Co...	20,000 00	20,000 00	.....	.....
	<u>\$1,629,977 84</u>	<u>\$6,824,842 51</u>	<u>\$4,694,864 67</u>	<u>.....</u>
Pay-rolls	\$23,461 16	\$131,408 87	\$107,947 71	\$.....
Bills payable and cash borrowed	26,508 95	241,268 18	214,754 18	.....
Cash dividend unpaid.....	162,478 50	7,468 50	.....	155,010 00
Individual accounts .....	.....	99,620 87	99,620 87	.....
Profit and loss.....	342,464 84	.....	.....	342,464 84
	<u>\$12,963,934 97</u>	<u>\$21,421,969 80</u>	<u>\$8,461,064 83</u>	<u>.....</u>

Per contra, the following assets, viz.:

Railway and equipment.....	\$9,438,482 19	\$11,585,896 19	\$2,152,414 00	.....
Union R.R. purchase.....	153,603 58	177,916 50	24,307 92	.....
Hillsboro' & Cincinnati R.R. purchase.	1,553,817 57	1,898,796 93	345,479 36	.....
Scioto & Hocking Valley R.R. purchase	.....	800,000 00	800,000 00	.....
	<u>\$11,140,858 84</u>	<u>\$14,452,609 62</u>	<u>\$3,312,251 28</u>	<u>.....</u>
Construct'n—Main line.....	\$590,384 03	\$2,740,312 55	\$2,149,948 47	.....
" Cin ex	1,531 10	1,251,110 30	1,249,779 20	.....
Discount on mort. b'ds.....	.....	1,184,861 20	1,184,861 20	.....
	<u>\$592,195 18</u>	<u>\$5,126,284 05</u>	<u>\$4,534,068 87</u>	<u>.....</u>
Suspense Account.....	\$.....	\$155,000 00	\$155,000 00	.....
Real estate.....	102,544 70	550,256 77	447,712 07	.....
Bonds and stocks.....	.....	12,965 92	52,965 92	.....
Materials and fuel.....	10,807 08	105,529 89	95,222 81	.....
Bills receivable .....	.....	7,999 84	7,999 84	..
Uncollected revenue.....	.....	49,950 56	49,950 56	.....
Col. and Hock Val. R.R.....	.....	.....	.....	.....
subscription .....	.....	50,000 00	50,000 00	.....
Profit and loss ..	.....	874,873 65	874,873 65	.....
	<u>\$12,963,904 97</u>	<u>\$21,424,969 80</u>	<u>\$8,461,064 83</u>	<u>.....</u>

The funded debt of the company, as shown in the statement of January 1, 1869, is described as follows :

	Rate.	Interest Payable.	Principal payable.	Amount outstanding.
1st mortgage, sterling.....	7	Feb. & Aug.	Aug. 1, 1891	\$1,050,000 00
1st mortgage, currency	7	Feb. & Aug.	Aug. 1, 1891	2,449,500 00
1st mortgage (scrip). currency...	7	Feb. & Aug.	.....	4,842 51
2d mortgage, currency.....	7	May & Nov.	May 1, 1896	2,500,000 00
1st mortgage (Sci. & H. Val R.R.).....	7	May & Nov.	May 1, 1896	800,000 00
Balt. loan to Union R. R. Co.....	6	.....	.....1870	20,000 00

The stocks of this company are almost without market value. First preference shares have recently been sold at 20@23, and second preference at 6@8. The common stock is not quoted.

narrow gauge, a line from Baltimore to St. Louis
Pacific Railroad of Missouri and connections
Pacific Slope and Coast. It is scarcely possible
in this great project can fail to perfect the plan
Baltimore with the means of developing its
commerce of the continent. The extension
give the road a valuable connection via

The lines of the present company w

Main line: Harmar to Cincinnati, Hamilton and

Main line: Hamden to Cheshire.....
Branches: { Blanchester to Hillsboro.....
 { Hamden to Portsmouth.....
 { Scott's Landing to Belaire....,

Total road owned by company.....
Leased: Cin. Ham. and Dayton (Janc)

The length of sidings and iron ranges from 56 to 60 of that part of the road reached Cincinnati via payed \$60,000 a year and Dayton Company \$25,000 a year, of depot, &c., in

The company
passenger, and
cars.

The mi'

Passenge

constru-

transf

tons

ive

b

January

February

March

in April.

in May.

12 June

TO JAPAN.

TO PANAMA.

TO CENTRAL AMERICA.

TO VICTORIA.

In January-

Total first six months 1860

Total first six months 1868

Increase the year

202,878 26
 84,170 84
 108,750 18
 155,740 09—

\$571,701	21	
355,909	77	
735,521	13	
322,526	52	
672,182	42	
743,098	30-	2,402,990

\$181,593 28
 129,649 43
 110,022 57
 168,710 83
 661,759 06
 421,954 08 — 1,673,699 04

\$60,000 00
50,000 00
80,000 00
60,000 00
40,000 00
187,007 34- 417,007 M

In January.....	\$20,000	00	
In February.....	87,712	77	
In May.....	581,470	00	
In June.....	161,936	53	751,119 95

In January..... 20,100 00

Total first six months 1869.....	\$21,046,239 55
Total first six months 1868.....	19,997,421 65

Increase the year \$1,103,738

COTTON CULTIVATION IN THE SOUTH.*

from the Commercial Convention now sitting
see, as memorialists, represent that we are
on trade now carried on between Great
interested in all that relates to the pro-
h countries.

ing between the two countries,
e and importance, render it
your memorialists, that
dition and advantages
in the United States,
ed by the cotton spinners,
a sufficient supply of the "raw
greater quantity.

memorials of the "Cotton Supply Associa-
Association," and the Chamber of Commerce
to the Duke of Argyll, the principle Secretary of
Council, urged a special Cotton Bureau for India, inas-
oked to that country for relief in case of failure of supply

ca.

report of the Cotton Supply Association says; "There appears to
little probability that the production of cotton in America will, for many
years to come, be adequate to the requirements of this and other countries;
your memorialists, therefore, believe that India is the great source to which
they must look for enlarged supplies that are so urgently needed," etc.

Though we hail with pleasure any exertion to increase the supply of
cotton in India and all other countries, we can but think that to the South-
ern States of America, at last, must we look for any permanent increase in
the supply of the "raw material." In East India, Egypt, Algeria, and the
Levant, as in Brazil, Peru, and the West Indies, there are many difficulties
attendant upon any permanent increase in the future growth of cotton, and
in furnishing such cotton, at a cheaper price, in sufficient quantity to sup-
ply the wants of the world.

Can these countries grow cotton at a cost of sixpence per pound? If
they cannot, then they are unable to compete with the United States.

* Memorial to the "Cotton Supply Association of Manchester," England, and to the
"National Association of Cotton Manufacturers and Planters" of the United States, and
through these Associations to the Cotton Spinners of Europe and America.

EXPORT OF TREASURE FROM SAN FRANCISCO.

The San Francisco *Commercial Herald* gives the following statement of the amount and destination of treasure exported from San Francisco during the first six months of 1869, as declared at the Custom House:

TO NEW YORK.

In January.....	\$1,697,058 75	
In February.....	799,903 74	
In March.....	1,170,150 85	
In April.....	1,642,180 57	
In May.....	201,975 46	
In June.....	161,063 99	
From May 8 to June 30 (overland).....	1,421,811 95—	\$7,074,129 21

TO ENGLAND.

In January.....	\$800,440 99	
In February.....	1,451,021 10	
In March.....	1,483,496 53	
In April.....	682,831 77	
In May.....	432,617 30	
In June.....	1,873,423 69—	6,723,821 27

TO FRANCE.

In January.....	\$190,542 72	
In February.....	162,341 23	
In March.....	263,478 23	
In April.....	34,170 84	
In May.....	169,750 18	
In June.....	155,740 09—	973,923 55

TO CHINA.

In January.....	\$571,701 21	
In February.....	355,209 77	
In March.....	733,521 13	
In April.....	322,526 53	
In May.....	672,182 42	
In June.....	743,098 30—	2,403,239 42

TO JAPAN.

In January.....	\$181,593 26	
In February.....	129,649 43	
In March.....	110,022 37	
In April.....	178,710 83	
In May.....	661,739 06	
In June.....	423,954 08—	1,673,369 44

TO PANAMA.

In January.....	\$60,000 00	
In February.....	50,000 00	
In March.....	80,000 00	
In April.....	60,000 00	
In May.....	40,000 00	
In June.....	127,007 34—	417,007 34

TO CENTRAL AMERICA.

In January.....	\$30,000 00	
In February.....	37,712 77	
In May.....	531,470 69	
In June.....	161,936 53—	751,119 99

TO VICTORIA.

In January.....		20,100 00
Total first six months 1869.....		\$21,046,229 95
Total first six months 1868.....		19,957,461 63
Increase the year.....		\$1,108,768 32

COTTON CULTIVATION IN THE SOUTH.*

We, a special committee from the Commercial Convention now sitting in the city of Memphis, Tennessee, as memorialists, represent that we are closely connected with the cotton trade now carried on between Great Britain and America, and deeply interested in all that relates to the progress, prosperity, and commerce of both countries.

The extensive mercantile relations existing between the two countries, which are every year increasing in magnitude and importance, render it highly expedient and desirable in the opinion of your memorialists, that more accurate information be given respecting the condition and advantages now afforded for increasing future "cotton supply" in the United States, inasmuch as great interest is now being manifested by the cotton spinners, both of Europe and America, respecting a sufficient supply of the "raw material," at a cheaper price and in greater quantity.

On the 2d March, 1869, the memorials of the "Cotton Supply Association," the "Cotton Spinners Association," and the Chamber of Commerce of Manchester, England, to the Duke of Argyll, the principle Secretary of State for India, in council, urged a special Cotton Bureau for India, inasmuch as they looked to that country for relief in case of failure of supply from America.

The report of the Cotton Supply Association says; "There appears to be little probability that the production of cotton in America will, for many years to come, be adequate to the requirements of this and other countries; your memorialists, therefore, believe that India is the great source to which they must look for enlarged supplies that are so urgently needed," etc.

Though we hail with pleasure any exertion to increase the supply of cotton in India and all other countries, we can but think that to the Southern States of America, at last, must we look for any permanent increase in the supply of the "raw material." In East India, Egypt, Algeria, and the Levant, as in Brazil, Peru, and the West Indies, there are many difficulties attendant upon any permanent increase in the future growth of cotton, and in furnishing such cotton, at a cheaper price, in sufficient quantity to supply the wants of the world.

Can these countries grow cotton at a cost of sixpence per pound? If they cannot, then they are unable to compete with the United States.

* Memorial to the "Cotton Supply Association of Manchester," England, and to the "National Association of Cotton Manufacturers and Planters" of the United States, and through these Associations to the Cotton Spinners of Europe and America.

EAST INDIA.

In East India the difficulty of obtaining any tenure to the soil; the rude and insufficient means of transportation; the tropical nature of the climate deluging the land for one-half the year with rain, and parching it with drouth the other half, stamp it as a clime but poorly suited to the growth of a plant requiring so long and so regular a supply of moisture to mature its fruit—all of which make against any speedy increase in the supply of cotton from that country. Out of 16,000,000 acres annually appropriated to cotton growing, the largest yield for exportation was in 1866 (when stimulated by high prices), and did reach 1,840,648 bales—decreasing in 1867 to 1,568,909 bales, and in 1868 to 1,420,576 bales—averaging 347 pounds. In the district of Orissa and in Eastern Bengal, when the large crop of 1866 was made, over 1,350,000 souls perished from starvation, produced from putting in cotton lands that should have been appropriated to breadstuffs. It is now predicted that the cotton crop of East India will still further be reduced the present year—declining, perhaps, to 1,250,000 bales.

EGYPT, TURKEY, SMYRNA, GREECE, ETC.

In Egypt a more strict system of irrigation is adhered to, and the heavy expenditures for canal dues, steam machinery and English coal for fuel, to raise water from the Nile, with the high price of cotton lands, joined to onerous taxes exacted by the Government, will discourage, to a great degree, any further increase in cotton supply. Besides, in 1865, when a large attempt at cotton growing was made, some 350,000 of the population of Egypt perished from actual starvation. The yield that year, 1864–65, was 404,411 bales, and since that time has never been attained. Only 193,035 bales were imported into Great Britain the past year, averaging 500 pounds each.

Though the Viceroy of Egypt and the Sultan of Turkey have both been recently memorialized by the "Manchester Cotton Supply Association," respecting the future growth of larger crops of cotton throughout their dominions, the yield has not increased to any extent in Egypt, and both Turkey and Greece together only exported the past year into Liverpool 12,623 bales of cotton.

Smyrna cut down her fig and fruit trees in 1864, for the purpose of growing cotton, but has now abandoned it, while the rest of the Levant, except for domestic purposes, has given it up altogether.

BRAZIL, PERU AND WEST INDIES.

South America is steadily increasing in the production of cotton, but so slowly it does not amount to much. The past year the yield was

180,000 bales more than in the year 1867. But, as the bales in Brazil only average 155 pounds, and those in the West Indies and Peru only 180 pounds, the actual increase for the whole of South America, reduced to the American standard of 500 pounds each, does not amount to over 65,000 bales of cotton for the past year. This increase, however, in South America, does not atone to the cotton world for the decrease in East India the past year, which amounts to 88,327 bales, and compared with 1866, to 420,072 bales, and not as many pounds of raw cotton were imported into Great Britain in 1868 as during the year 1866.

Brazil and Peru are dependent almost solely on irrigation for the production of their cotton crops. The Pernambuco, Maceio, Bahia, and Santos cotton, so favorably known in the European markets, are produced by damming up the "rigollettas," or rivulets of melted snow that come from the Cordilleras, and thus, during the summer months, furnishing means of irrigation, so necessary in that arid climate to the maturity of the cotton plant. But for the terraces and irrigating canals of Peru, which convey the melted snows from the Andes, she could not grow cotton at all—and even now her crop is very small, for that imported into Liverpool the past year amounted only to 58,911 bags, of 180 pounds—equivalent to a little over 21,000 bales of 500 pounds each. While that of Brazil, although it amounts to 629,502 bales, of 155 pounds each, when reduced to 500 pound bales amounts to a little over 195,000 bags.

COMPARATIVE VALUE OF AMERICAN COTTONS.

But America is the home of the cotton plant, and the Southern States of America the only country where cotton can be produced successfully and regularly without resorting to the artificial means of irrigation. It is to those States that the trade must then look to furnish the deficiency in "cotton supply" for the world.

American cottons are of more general utility both of warp and woof, than those of other countries. In Europe they are used almost exclusively for warp, while the filling is of India or some other less costly cotton. The world, therefore, requires not only a large supply, and a cheap supply, of cotton, but a supply of a peculiar kind and quality.

There are, properly speaking, now in use three kinds or classes of cotton.

1st. The "Sea Island," or long staple cottons, grown principally on the coasts of Florida, Georgia and South Carolina. Of this denomination of cotton, comparatively, the consumption is small.

2d. The medium long staple cottons of American growth, denominated in Liverpool, "Uplands," and "New Orleans;" in the United States, known as New Orleans, Texas, Mobile, Savannah, Charleston and "Mem-

phis cottons." It is stated that prior to the war, nine bags of American cotton were used to one bag of all other descriptions put together. The American cottons are used almost entirely in European factories for warp, while the woof or filling is of other less costly grades. For the warp or extended threads, strength and length of fibre is especially required; while for the weft or transverse threads of the loom, softness and fulness are the chief requisites. No other cotton is better adapted as to strength and length, either to spin into the higher numbers, or to sustain the tension friction to which the threads are exposed in the loom.

3d. The short staple cotton—used almost exclusively for weft or filling. It is drier, "fuzzier," more like rough wool, and principally grown in India.

It is, therefore, seen that while the cotton spinners of Europe require only to a limited extent the first and third classes of raw cotton, viz., Sea Island and India cottons—of the second class, or medium staple cottons of American growth, they need and can consume an almost unlimited supply.

It is the insufficient supply and the high price of American cotton that has driven English manufacturers upon the short stapled native article of India—called "surat." But so beautifully have the manufacturers reduced the system of mixing the two in the fabrics, that the more American cotton manufactured in England, the greater will be the necessity for Surat cotton; and the less American cotton that is passed through British looms, the smaller will be the quantity of surat taken.

It must, therefore, be borne in mind that the great desideratum now for Europe, is not simply one of more cotton—but more cotton and at a cheaper price of the character and quality of that grown in the Southern States of America.

If India were to send to Great Britain three millions of bales of cotton in place of the fifteen hundred she now furnishes, the desideratum would not be supplied—and she would still be almost as dependant on America as ever. She cannot grow the needed character of cotton, and the growth of British India must continue to command attention only when better descriptions cannot be obtained.

Although several quarters of the world supply the long staple—and India furnishes enormous quantities of the short staple—the United States of America have hitherto produced the medium and most necessary kinds, and unless American production can be stimulated and increased, the cotton trade of the world must suffer to an enormous extent.

CONSUMPTION OF ENGLAND AND AMERICA.

The cotton interests of Europe and America alone require an annual supply of over 6,000,000 of bales of cotton to keep their machinery moving—whereas, the actual available production of the world will not amount, the present year, to 5,000,000 bales.

Granting that East India and the United States make full average crops of cotton, the most favorable production cannot supply the deficiency.

Say for the crop of the cotton year 1869 :

East India, more than last year.....	1,500,000
Egypt, " "	28,000
Turkey, Levant, &c., "	12,500
Brazil, Peru, and West Indies, same as last year.....	707,500
United States, more than last year.....	2,500,000
All other sources	50,000
<hr/>	
Making a liberal estimate of	5,000,000

for the production of the world, while the consumption is over 6,000,000, leaving the apparent deficit in supply in the "raw material" over 1,000,000 bales of cotton, at the end of the present year.

AVAILABLE PRODUCTION OF THE WORLD.

The cotton crop of the world does not now amount to four millions of bales, averaging 500 pounds, and exclusive of the United States, the available production of the globe does not much exceed eighteen hundred thousand bales, of the same average.

How to supply this deficit is the question, and how to supply it with the needed character of cotton.

From the census of 1860 it is ascertained that the cotton crop of the United States for the year 1859-60 amounted to five millions one hundred and ninety six thousand nine hundred and forty-four bales, of 400 pounds each. The same crop if reduced to bales of 500 pounds each, shows a yield for that cotton year of forty-one hundred and fifty seven thousand five hundred and fifty bales—a larger quantity of cotton than is now produced on the globe. Since 1861 the largest yield was that of the past year, amounting to twenty-four hundred and thirty thousand eight hundred and ninety three bales of cotton.

We have the same soil, the same peculiar climate, influenced by the Gulf Stream, causing a regular system of irrigation from the clouds wafted from the bosom of the Southern seas, and producing the moisture and heat so requisite during the summer months to the health and vitality of the cotton plant. All the natural advantages possessed by the Southern States for the culture of their principal staple remain. But we want labor,—and with an abundance of labor the increase of cotton would not only be commensurate with the wants of the world, but the cost of production as the increase progressed would be lessened by an unerring law governing all trade.

At present it is estimated that nearly one-half of the cleared lands of the South are uncultivated, for want of labor, and therefore the cost at

which labor is now acquired, and cotton produced, is disproportionately dear.

AREA OF SOUTHERN COTTON STATES, ETC.

The area of the ten largest cotton-growing States—North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Texas, Arkansas, and Tennessee—is six hundred and sixty-six thousand one hundred and ninety six square miles or four hundred and twenty-six millions three hundred and sixty-five thousand four hundred and forty acres. If we add Missouri and Virginia, we embrace a territory of over eight hundred thousand square miles—almost as large as the aggregate area of Great Britain, France, Prussia, Austria, and Italy. The single cotton State of Texas is larger than either Great Britain, France, Prussia, or Italy, and nearly equal in area to the Austrian Empire. Southeastern Missouri might, with great propriety, be entered in the list, as the Bureau of Statistics at Washington now report nearly as large an average yield per acre from that State as any other, thereby confirming the theory that the “Isothermal lines,” or lines of equal heat, do not correspond with the parallels of latitude, but diverge from given points on the Atlantic seaboard, in a northwesterly direction, demonstrating the fact that Columbia, in South Carolina, is not much warmer, if any, than New Madrid in Southeastern Missouri, though two degrees farther south.

In confirmation of these scientific observations, the experience of a few years past has shown that Tennessee, which was formerly scarcely considered a Cotton State, now ranks high among the cotton producing, and third among the cotton receiving, States; and that lands lying along the northern edge of the cotton belt produced sure and steady crops, being less liable to the “cotton worm” and the “rot,” although the product per acre is not so much as further south.

PRODUCTION TO BE STIMULATED.

From a region then of such vast extent, what might we not expect if there were union of effort amongst those interested, to stimulate a larger production? Practically, there is no limit to the cotton production of these States.

If the cotton spinners of the United States of America, whose interests are identified with the cotton planters, who have been favoring railway and wild land speculations in the far West, instead of turning the tide of immigration to the open fields of the South, would now pursue a contrary course and lend us their aid, the production of the “raw material” could soon be increased. If the “National Association of Cotton Manufacturers and Planters” of the United States would direct public attention to the subject, it would materially assist us.

If the "Cotton Supply Association" and the Cotton Spinners Association," of Manchester, England, would induce a surplus portion of the population of Great Britain and Europe to come among us and assist in cultivating our unoccupied cotton lands, then would Lancashire be greatly benefited and saved the fears of future "cotton famines," with the certainty of being furnished the "raw materia" at a cheaper price than it can be produced in any other quarter of the globe.

The planters and the ryots of India will not grow cotton except stimulated by high prices. The imperfect system of irrigation, the constant deterioration of exotic or American cotton seed, necessitating large outlays annual for their importation, the poor means of transportation, and the great difficulty of obtaining breadstuffs in the interior of that remote country, will deter them from risking it and increasing the production to much extent, unless they are paid remunerative prices.

The lands of Egypt are too valuable and the cultivation of the "great staple" attended with too much expense, to grow cotton to any extent at a less price than twelve to fifteen pence per pound. The lands along the banks of the Nile, suited to cotton growing, all command from twenty to forty pounds sterling (\$100 to \$200 in gold) per acre. Besides, the arable land in Egypt is confined to a very narrow strip along both banks of the Nile, most of which must continue to be cultivated in cereals for the support of its already overcrowded population. The remainder of the country is but a desert of burning, moving sands—the sport of the simoon and the home of the sirecco.

TENNESSEE, LEYERS, ETC.

We stand to-day upon the soil of a cotton State worth more to the world than the whole of South America and the West Indies. The State of Tennessee is credited in the last annual cotton statement with three hundred and seventy-four thousand eight hundred and sixty bales of cotton, averaging over 443 pounds per bale.

The production of Brazil, reduced to the same standard of 443 pounds per bale, would give a yield the past cotton year of 220,256 bales; Peru, 24,837 bales, and the West Indies, 8,882 bales, making total crop for exportation, 253,477 bales from South America and West Indies. Not more than was received by the city of Memphis the past season; for Memphis received the past cotton year 253,207 bales, and so far this season has already received over 245,000 bales of cotton.

The Yazoo basin, in the State of Mississippi, lying immediately south of Tennessee, bounded on the west by the Mississippi river, and on the south and on the east by the Yazoo, Tallahatchie, and Coldwater rivers, covers an area of nearly four millions of acres, and is worth more as a

cotton country to the world than the whole of Egypt. From the Tennessee line to the mouth of the Yazoo, not a stream enters the Mississippi river for 350 miles possessing, in this respect, superior physical advantages for easy and safe protection to any other portion of the Mississippi Valley.

In 1860 the State of Mississippi produced 1,202,507 bales of cotton; and it is estimated that of this amount nearly one-fourth was produced in the delta of the Yazoo. Here was the widest portion of the inland sea which once occupied the lower valley of the Mississippi. Its exceeding fatness is Nile-like, without the aridity of Egypt. Its soil resembles, in fineness, the silt of the ocean's bed, and is enriched by the opulence of the sea and the munificence of the land in the dead organisms of former prolific and vigorous life, which furnish in abundance the lime and potash and other elements which cotton requires. It is the most fertile and productive cotton domain on this continent, and Congress should, as an act of justice to the cotton-spinners of the North, and to the cotton-growers of the South, repair at least the "Yazoo Pass," and the portion of the levees that were destroyed for military purposes during the late civil war. With the levees up and secure from inundation, the successful cultivation of the Yazoo delta would alone secure annually an addition to the American cotton crop of 1,000,000 bales.

CHEAP COTTON—IMPROVED CULTIVATION, ETC.

Cheap cotton, then, and in sufficient supply, is what the world requires and must have. Lancashire and the continent of Europe must obtain cheaper cotton, or their mills must stop. For the past two years they have paid for "American middlings" and "fair Egyptians" an average over ten pence per pound; and many mills are now closed, or working on "short time," in consequence of the continued high price of raw cotton.

With our levees up, the freedman would seek the alluvial lands of the Mississippi Valley, finding there a better reward for his labor. The climate agrees with him, and he with the climate. With an intelligent white immigration settling upon the "uplands" of the cotton States; with smaller farms and improved seeds; with deep plowing, commercial manures, an enlightened system of cultivation—using all the appliances of improved husbandry, and employing every available means to render the soil increasingly productive—we could easily extend the yield of the Southern cotton crops again to five millions, in place of two millions five hundred thousand bales.

It is estimated that Georgia alone, the present year, has consumed over twenty thousand tons of commercial manures, in guano and

phosphates, improving her cotton lands. The product is doubled by it, the cultivation of one-half the area is saved, and the laborer has time to devote to the cereals and fruits, making life on a cotton plantation more agreeable to the habits and tastes of the white man. This revolution has been inaugurated by David Dickson, E-q., of Sparta, Georgia, who last year invested thirteen thousand dollars in commercial manures with great profit, and who, in the midst of his extensive operations, has found time, by judicious selections and crosses, to introduce the best cotton seed in America.

We commend this system to the attention of the cotton trade, because they can safely advise immigrants to come to the healthy and well-watered "uplands" of the South, with a fair prospect of growing cotton successfully, without the constant drudgery which was once thought necessary to its production, and at the same time surrounding their little habitations with the luxuries and comforts which they have been accustomed to in their Northern and European homes. For although necessity may compel the introduction of laborers from the half civilized Pagan races of the earth, we confess we have a strong preference for those of a higher stamp, and who will ultimately make good citizens, merged into our population.

CONDITION OF LABOR, ETC.

There is a great mistake generally made in regard to the amount of labor now employed in the cultivation of cotton. When the emancipation occurred the planters made great efforts to associate the laborers together on their large plantations, but the system has completely broken down and given place to the "squad system," where from two to eight hands only work together, in many instances a single family. The "squad system" on large plantations is much less productive than the old system of "associated labor," as there is no concert of action and fair division of labor according to the recognized laws of political economy.

The freedman is unambitious of accumulation, but shows great anxiety to have his little home, with his horse, cow, and hogs separate and apart from others. Therefore, he strenuously insists on a full grain crop for subsistence of his family and stock, and only a moderate cotton crop. On a majority of the plantations, in projecting the cotton crop, the freed women are entirely ignored, and are left to attend to the household and the garden, except when the season is very difficult, when they give some assistance to their husbands and fathers in the cultivation, and, also occasionally in the gathering of the crop. This fact in itself is sufficient to account in no small degree for the disappearance of a large proportion of the efficient labor once directed especially to the production of cotton.

into our midst for the sole purpose of foisting themselves into office, we can insure immigrants (no matter from what quarter they come), who are honest and industrious men who come to seek homes among us and to add to the wealth and prosperity of the country, that they will meet everywhere with a friendly and most hearty welcome.

With the many inducements now presented to purchase cheap, healthful lands and comfortable homes, in a country possessing natural advantages unequalled in any other portion of the cotton world, does it not behoove the cotton trade, both of Europe and America, to direct public attention and immigration to us, and aid us in working our unoccupied cotton fields? By so doing, they would indirectly benefit themselves and very materially aid us. Every variety of climate and soil is presented in the cotton belt, stretching from the Atlantic to the Rio Grande, and from the Ohio river to the Gulf of Mexico.

The sun of heaven shines not on a land more varied in soil, climate, and production, or better fitted for the habitation of man.

In consideration of all these advantages, your memorialists ask that the influence of your Associations be exerted in directing intending emigrants to these States—believing them to be the best cotton producing districts on the globe—and that with requisite labor there is no limit, practically, to their facilities for the production of raw cotton—and that, too, at the comparatively low figure of sixpence per pound.

ROBERT T. SAUNDERS.

Of Memphis, Tennessee, Chairman.

NOTE.—In this memorial the average of the Liverpool Cotton Brokers Association for American cotton, is adopted, viz.: 443 pounds per bale. Memphis cotton is much heavier, 475 pounds per bale being the average the past season, as shown from the books of Bronson, Bayliss & Co., cotton brokers, at Memphis, Tennessee.

MICHIGAN CENTRAL RAILROAD.

The Michigan Central Railroad extends in a very direct line from Detroit to Chicago, a distance of 284.8 miles. At Detroit connection is made with the Great Western of Canada. (now supplied with an extra rail for the accommodation of narrow cars) and through that road (via Suspension Bridge) with the New York Central route to the seaboard. From Chicago by this route to New York the distance is 960 miles. Within a short time several valuable auxiliary roads have been opened, as the Grand Rapids and Indiana (Grand Rapids to Kalamazoo); the Jackson, Lansing

the remarks of the Hon. Reverdy Johnson, who

"Manchester, assured the people of Lancashire

to be properly developed and organized,"

only in four or five, but in a few years, in

America, we are forced to the con-

Southern cotton crops, with the

500,000. Could we grow

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any increase in the cotton crops of the

other hand, that labor in cotton culture is

in three causes: Emigration from the cotton

and cities, the deaths on the plantations, and the

from cotton growing. Nothing but the free use of

the best success in cultivating the land planted, can keep

cotton yield, with the present labor, up two and a half mil-

lions. The picking power—the quantity that can be picked—is

limit of our capacity in producing cotton; and, even if the present

labor could produce more, we could not save more. We do not think

the deterioration of the negro labor will subside here so low as it has

done in the British West Indies, on account of the climate of the South-

ern States being more rigorous, demanding more clothing, and the

absence of indigenous and tropical fruits, on which they are fed so

largely there. This fact will create a necessity on the part of these inof-

fensive and easily contented people for a larger amount of work to secure

their subsistence. But for this difference the results in both countries

would be identically the same.

IMMIGRATION, ETC.

Improved lands can now be had in any of the Cotton States at prices

varying from £1 to £5 sterling—\$5 to \$25—per acre, and farming uten-

sils and work stock can be purchased at fair prices. The great aversion

that proprietors formerly had to the subdivision of their plantations is

now rapidly giving way, and lands can now be purchased or leased in

convenient lots of any size. Whilst we candidly admit that there is a

great aversion in the Southern mind to political adventurers, who come

cotton cultivation in the south.
giving her cotton lands. The product is doubled by it.
half the area is saved, and the laborer has time to
fruits, making life on a cotton plantation more
states of the white man. This revolution more
Johnson, Esq., of Sparta, Georgia, who last
operations, has found time,
duce the best cotton seed in
cotton trade, because
healthy and well.
growing cotton
thought
little
19.

Which remainders were disbursed as follows, viz.:

Pay e ts to sin'g funds.....	\$84,540 00	\$81,000 00	\$.....	\$.....
Int res' and ex' a ge	646,170 63	586,955 98	...	102,74 00
July div'd's, 5 per cent..	407 025 00	424,435 10	21,410 00	.....
Jan. " 5 "	40,800 00	452,19 10	49,350 00	.....
U. S. t x on div'ends, &c.....	87,817 13	101,187 95	63,300 81	.....
U. S. tax on receipts	44,558 30	46,818 18	2,724 43	.....
Balance on new account.....	188,793 73	217,789 63	78,995 39	.....

The balance from 1866-67 was \$443,450, and, including the balances from the two years as above, the balance to 1869-70 is \$800,033 50 carried to the general account.

The financial condition of the Company at the close of the years 1867-68 and 1868-69, as shown on the general balance sheet is compared in the following tabulation :

	1868.	1869.	Increase.	Decrease.
Capital stock	\$9,477,66 00	\$11,147,381 00	\$2,719,462 00	\$
Funded debt	6,962,944 49	6,153,744 89	.....	1,815,540 60
Unpaid dividends &c.....	9 7 60	752 01	.....	145 60
Income ac't, balance.....	582,243 45	800,033 57	217,739 62	1,815,540 60
Total.....	\$:6,021,946 44	\$17,151,623 46	\$1,22,021 02	.....

Per contra : the charges and accounts which follow, viz.:

	1898.	1899.	Inc ease.	Decrease
Construction.....	\$14,914,167 47	\$15,951,936 56	\$1,037,769 09	\$ ———
Cash on hand and bill.....	854 871 77	184,517 50	.....	64,834 27
Materials on hand	158 732 60	146,745-0	.....	6,936 91
Assets in hands of general Receiver.....	53,647 68	167,112 19	103,414 50	.....
Assets in hands of the said nt.....	85,255 27	94,748 29	8,8 4 02	.....
Joliet & N Ind R. R.....	168 2 5 00	18 225 00	.....	.....
Chicago Ind acount.....	97,627 00	97,627 00	.....	.....
Jackson and account.....	24,411 31	24,411 31	.....	.....
Advance J L & S R. Co.....	105 000 00	105,000 00	.....	.....
U. S. Service tax.....	2 40 09	.....	.....	2,990 39
undry accounts	64,766 45	65,323 81	557 36	.....
J. L. & R Co. bonds.....	.....	43,945 00	43,945 00	.....
(40 per cent of earnings).....	.....	.....	.....	.....
Total.....	\$16,029,546 44	\$17 157,622 46	\$1,122,076 02	.....

The capital stock has been increased during the last year, by the conversion of bonds, \$1,815,500, and by the amount of stock dividend January 1, 1869, \$904,400. The funded debt has decreased by the amount of bonds converted. Construction has been increased by \$1,037,769 08, the principal part of which is the amount of the stock dividend, (\$904,400) representing permanent improvements for a series of years, the cost of which had been previously charged to operating account.

The funded debt, June 1, 1868 and 1869, stood comparatively as follows:

	1879.	1889.
1st mortgage (sterling) 6s, due June 1, 1872.....	\$474,428 89	\$467,428 89
1st mortgage (lg conv) 8s, due apr 1, 1869	10,000 00	500,000 00
1st mortgage (conv) 8s, due Sept. , 1869.....	1,194,500 00	3,200 00
1st mortgage (conv) 8s due Oct 1, 1881	600,000 00	572,000 00
1st mortgage (conv.) sink'g fund 8s, due Oct 1, '83. ...	4,20,000 00	2,29,500 00
Total.....	\$5,968,988 89	\$5,153,438 89

The bonds of this company, which are by their tenor convertible into stock on the 1st of January only of every year, will be converted at any time upon presentation at the office of the treasurer, Boston, Mass. See Report.

The market value of Michigan Central stock is shown in the following table of monthly ranges at the New York Stock Exchange Board :

	1863-64.	1864-64.	1865-66.	1866-67.	1867-69.	1869-69.
	(6x)	(12x)	(4x)	(6x)	(7x)	(5x)
Cash div.....	106 1 9%	114 3/4-15 3/4	103 -12	102 -11 9	104 -114	117 3/4-121 3/4
Jun	107 -16 3/4	132 -40	106 -110	10 3/4-112 3/4	108 3/4-11 3/4	111 3/4-19
July	113 -1 8	133 3/4-140 3/4	102 -10 3/4	110 -114	106 3/4-112	1 8 -1 1
Aug.....	116 -123 3/4	128 3/4 3 3/4	104 -11 3/4	110 3/4-115	109 -111 3/4	118 -119
Sept.....	120 3/4-128 3/4	114 3/4-130	111 3/4-116	113 -117 3/4	108 -11	118 3/4-19
Oct.....	121 3/4-128 3/4	121 3/4 1 3/4	113 -117	110 -117 3/4	10 -111 3/4	117 -118
Nov	119 3/4-1 8 3/4	115 -133	10 3/4-117	110 3/4-115 3/4	106 3/4-118	115 -129
Dec	1 8 3/4-38	103 -11 3/4	1 1 3/4-08 3/4	102 -118 3/4	106 3/4-112	1 4 -112
Jan	18 3/4 143	10 -15	100 3/4-1 5 3/4	107 -09	11 3/4-1 4	117 3/4-1 0
Feb....	136 3/4-153	9 3/4-1 3/4	101 -0	107 -109	112 3/4 114	117 3/4-118 3/4
March.....	133 -157	18 -114 3/4	101 3/4 107 3/4	107 -1 8 3/4	119 -115 3/4	11 3/4-83
April.....	131 -146 3/4	106 -115	106 -104 3/4	108 3/4-110	118 -121	126 -129 3/4
May.....						
Ye r.....	106 -127	9 3/4-156 3/4	104 3/4-117	102 -117 3/4	106 3/4-121	111 -133

Stock dividends were paid in July, 1865, 5 per cent \$389,472, and in January, 1869, 10 per cent, 904,400. The dividend paid in July, 1869, not included in the above table, was 5 per cent on the increased capital.

TOTAL RESOURCES AND LIABILITIES OF THE NATIONAL BANKS.

The following is an abstract of the reports made to the Comptroller of the Currency, showing the condition of all the National Banks of the United States, at the close of business on the 12th day of June, 1869.

RE-OURCES.

Loans and discounts	\$682,029,822 00
Trade draft.....	3,420,9 3 79
United States bonds to secure circulation.....	83,680,750 00
United States bonds to secure deposits.....	21,625,340 00
United States bonds and securities on hand.....	27,416,650 (K)
Other State, bonds and mortgage.....	20,777,590 53
Due from redeeming agents.....	62,912,034 82
Due from National banks	25,536,544 51
Due from other banks and bankers.....	9,111,9924
Real estate, furniture and fixtures	23,859,7117
Current expenses.....	582,577 87
Premium	1,801,0001
Checks and other cash items	161,347,285 66
Bills of National banks	11,521,417 00
Bills of other banks	172,6710
Fractional currency	1,801,835 53
Specie	18,433,090 48
Legal tender notes.....	80,917,509 10
Compound interest notes.....	16,610 00
Three per cent certificates.....	49,815,000 00
Total.....	\$1,564,174,410 65

LIABILITIES.

Capital stock	\$422,659,960 00
Surplus fund.....	82,213,576 47
Undivided profits.....	41,12,898 70
National bank notes outstanding.....	212,763,286 00
State bank notes outstanding.....	2,658,874 00
Individual deposits.....	571,207,381 77
United States deposits.....	10,211,917 71
Deposits of United States disbursing officers.....	2,454,048 99
Due to National banks	101,933,910 03
Due to other banks and bankers	24,016,171 30
Notes and bills red counted	2,392,205 61
Bills payable	1,33,289 07
Total.....	\$1,564,174,410 65

NATIONAL BANKS OF EACH STATE--THEIR CONDITION JUNE 12, 1869.

We are indebted to the Comptroller of the Currency for the following reports of the National Banks of each State and redemption city at the close of business on the 12th day of June, 1869.

	Maline.	New Hampshire.	Vermont.	Massachusetts.	City of Boston.	Rhode Island.	Connecticut.	New York State.
Loans and discounts.....	\$19,541,533 54	\$4,374,810 14	\$5,170,048 57	\$44,525,407 28	\$71,576,075 13	\$22,030,424 03	\$34,300,833 47	\$80,579,191 57
Overdrafts.....	17,508 23	22,678 50	77,023 64	7,577 15	101,656 36	34,044 30	1,867 71	649,017 37
U. S. bonds to secure circulation.....	3,300,759 00	4,897,000 00	6,426,510 00	35,342,459 00	29,982,450 00	14,214,000 00	79,752,258 00	57,093,474 00
in hand.....	706,140 00	785 00	608,000 00	2,334,153 10	170,000 00	300,000 00	967,000 00	8,873,440 00
on g. gov.....	514,700 00	339,600 00	539,500 00	2,377,809 00	3,104,150 00	377,800 00	1,471,100 00	1,652,460 00
on.....	258,501 00	92,000 00	81,000 00	984,319 91	267,433 00	209,199 76	109,102 41	2,581,718 00
from other banks and bankers.....	1,816,034 42	1,031,566 41	8,108 31	5,360,827 43	5,928,734 15	1,732,494 15	4,316,713 07	7,356,777 31
on state, savings and ex. urvs.....	74,910 26	50,627 34	24,045 92	677,310 11	2,004,652 76	544,760 45	2,167,897 76	2,879,792 37
on expenses.....	9,806 04	3,823 20	22,976 74	27,913 11	218,374 70	52,162 73	146,442 79	291,312 58
on time.....	329,278 79	114,319 41	252,673 18	53,417 19	1,241,174 71	677,781 50	761,061 78	1,776,853 25
on other cash items.....	44,316 16	40,300 11	23,745 89	217,237 34	29,740 41	176,129 06	922,715 71	1,101,078 47
on bills of national banks.....	6,752 31	629 07	41,483 67	33,311 16	14,700 88	31,900 89	24,344 10	1,327 93
on other banks.....	303,116 19	123,022 29	94,520 87	781,078 17	7,027,094 91	697,110 89	507,270 04	1,703,077 31
on national currency.....	156,289 00	126,665 00	123,673 06	667,078 00	1,344,609 00	273,913 00	828,784 00	679,279 00
on other banks.....	604 09	189 19	1,174 00	1,174 00	361 10	54,730 00	94 40	8,334 00
on special currency.....	25,646 09	1,618 31	23,480 74	15,407 16	53,103 18	45,571 34	50,907 07	15,000 00
on specie.....	29,020 88	2,637 02	37,044 27	182,519 53	648,975 64	23,659 72	50,785 59	352,400 00
on U. S. tender notes.....	2,000,129 09	456,626 09	656,370 00	3,367,379 10	7,781,005 60	2,366,254 00	2,400,084 00	4,450,156 00
on compound interest notes.....				70,370 00				107 00
on per cent certificates.....	29,000 00	30,000 00	170,000 00	236,040 00	4,345,000 00	135,000 00	245,710 00	1,370,000 00
Total.....	\$24,379,000 44	\$12,314,170 60	\$18,096,145 34	\$101,510,453 95	\$157,640,913 30	\$42,938,736 15	\$64,519,100 30	\$134,455,708 79
LIABILITIES.								
on U. S. bonds.....	\$9,195,000 00	\$4,935,000 00	\$6,170,012 50	\$37,169,009 00	\$41,649,000 00	\$10,364,870 00	\$34,300,833 47	\$80,579,191 57
on U. S. currency.....	1,500,312 61	594,787 48	709,531 26	8,134,185 41	9,094,303 20	1,514,434 21	4,200,430 96	5,800,093 31
on U. S. currency.....	994,449 93	619,468 48	59,100 21	3,277,637 90	2,705,509 31	1,406,019 14	1,901,490 98	2,411,783 58
on U. S. currency.....	7,470,000 00	4,334,746 00	5,209,023 00	38,807,341 00	21,679,009 00	12,114,745 00	17,514,419 00	25,067,481 80
on U. S. currency.....	31,878 80	20,661 00	20,761 00	17,713 00	108,206 18	171,875 00	270,476 08	470,527 00
on U. S. currency.....	4,048,760 14	1,774,477 88	1,740,947 56	19,319,673 19	20,470,192 81	8,697,193 37	13,111,869 51	20,470,192 81
on U. S. currency.....	292,738 67	153,411 24	170,613 78	811,297 00	7,200 64	145,735 37	2,574 61	1,847,948 10
on U. S. currency.....	17,191 80	8,913 11	66,763 18	92,375 31	17,469 15	17,469 15	17,469 15	17,469 15
on U. S. currency.....	48,257 54	6,336 00	67,661 00	914,000 00	13,070,000 00	774,000 00	2,288,000 00	4,377,000 00
on U. S. currency.....	56,904 81	107,000 00	2,164 00	172,167 91	1,071,000 00	423,000 00	2,288,000 00	1,318,119 18
on U. S. currency.....	30,000 00	30,000 00	170,000 00	170,000 00	4,345,000 00	135,000 00	245,710 00	1,370,000 00
Total.....	\$24,379,000 44	\$12,314,170 60	\$18,096,145 34	\$101,510,453 95	\$157,640,913 30	\$42,938,736 15	\$64,519,100 30	\$134,455,708 79

*Exclusive of Boston.

†Exclusive of the office of New York and Albany.

RESOURCES.

	New York.	Albany.	New Jersey, Pennsylvania,*	Philadelphia.	Pittsburg.	Delaware.	Maryland.†
Loans and discounts.....	\$174,297,943 80	\$6,571,218 89	\$19,549,094 09	\$39,017,940 00	\$13,812,208 99	\$2,125,514 00	\$2,885,068 88
Overdraft.....	905,311 49	67,781 58	54,197 20	9,289 83	50,787 81	2,545 57	35 6 4 83
United States bonds to secure circulation	41,911,410 00	2,145,000 00	10,605,650 00	12,078,711 00	7,704,501 00	1,842,209 00	2,058,210 01
United States bonds to secure deposits	1,044,000 00	200,000 00	680,500 01	610,000 00	2 6 00 00	60,000 00	200,000 00
United States bonds on hand	5,744,400 00	846,101 00	489,450 01	1,151,400 00	190,850 00	1 6 0 0	326 10 00
Other stocks, bonds and mortgages.....	5,322,907 67	906,967 97	257,450 01	1,206,064 61	198,522 54	53,751 89	267,722 18
Due from or to clearing agents.....	19 11 00 19	2,389 1 4 55	8,224,162 43	1,284,231 85	1,491,375 49	26,178 10	41,426 51
Due from National banks.....	2,410,813 68	1,043,242 13	4,453,710 37	2,443,531 83	311,457 71	67,221 29	242,212 03
Due from other banks and bankers ..	6,883,924 88	116,054 40	2,432,714 81	716,713 47	68,311 00	56,874 76	285,969 51
Real estate, furniture and fixtures	1,489,873 92	188,885 16	285,664 88	1,706,903 17	112,418 29	19,618 23	127,469 44
Current expenses.....	150,883 69	5,525 00	206,092 27	162,973 56	104,510 50	3,877 23	26,774 86
Premiums	124,204,218 63	12,760 75	30,673 73	62,480 92	37,213 59	70,355 53	29,930 40
Checks and other cash items.....	1,608,032 00	483,371 92	670,690 07	7,072,784 19	650,119 06	81,749 00	123,392 09
Bills of National banks	1,122 00	4,116 00	537,081 00	812,676 00	61,768 00	1,182 00	41,832 00
Bills of other banks.....	238,114 74	22,517 01	11,613 10	8,397 00	1,139 00	7,616 67	14,601 11
Specie	25,411,228 78	12,170 01	37,493 85	140,018 21	8,330 51	4,819 85	26,186 14
Legal tender notes	16,152,021 00	1,416,668 00	1,942,644 00	2,123,716 00	1,539,719 00	265,267 00	470,104 00
Compon d interest notes	30,616,000 00	340,000 00	205,000 00	5,790,000 00	645,000 00	50,000 00	680 00
Three per cent certificates	463,176,888 21	\$16,949,545 67	\$40,534,296 88	\$82,828,938 78	\$27,788,236 88	\$4,544,294 34	\$7,424,688 57
Total.....	\$463,176,888 21	\$16,949,545 67	\$40,534,296 88	\$82,828,938 78	\$27,788,236 88	\$4,544,294 34	\$7,424,688 57

LIABILITIES.

	New York.	Albany.	New Jersey, Pennsylvania,*	Philadelphia.	Pittsburg.	Delaware.	Maryland.†
Capital stock.....	\$73,510,000 00	\$3,650,000 00	\$11,465,250 00	\$15,555,150 00	\$9,000,000 00	\$1,425 185 00	\$2,358,217 50
.....	17,491,679 88	973,010 00	2,832,601 43	6,158,301 81	2,010,716 75	8 2,698 10	240,712 26
.....	11,197,236 71	43,880 83	1,587,353 40	1,294,793 47	779,272 61	131,169 54	345,145 98
.....	24,618,408 00	1,878,929 00	9,341,148 00	10,941,663 00	8,574,461 00	1,182,144 00	1,762,471 00
.....	247,769 00	25,199 00	135,546 00	93,694 00	16,391 00	7,823 00	20,117 01
.....	248,275,655 53	8,007,833 54	12,201,063 03	41,963,367 47	8,163,598 55	1,184,351 85	2,350,706 57
.....	12,354 58	22,043 84	258,463 16	52,400 71	5,972 63	42,425 89	34,806 12
.....	.....	13,463 36	15,477 23	.....	.....	.....	20,167 01
.....	55,215,481 93	1,918,647 23	1,864,316 00	5,864,014 00	770,371 95	195,077 65	91,795 72
.....	16,382,331 18	387,169 89	273,259 64	947,516 36	167,270 89	16,539 01	27,181 85
.....	.....	.....	.....	.....	.....	2,101 00	16,539 01
.....	.....	.....	112,335 78	.....	.....	17,000 00	1,027 16
Total	\$42,476,858 21	\$10,999,545 67	\$41,531,196 36	\$82,828,938 78	\$27,788,236 88	\$4,544,294 34	\$7,424,688 57

* Exclusive of the cities of Philadelphia and

† Exclusive of the city of Baltimore.

RESOURCES.

	Baltimore.	Washington.	Virginia.	W. Virginia.	N. Carolina.	Georgia.	Alabama.	N. Orleans.
Real estate, furniture & fixtures	\$10,918,746 85	\$1,351,990 20	\$2,892,445 03	\$2,686,134 26	\$1,121,705 49	\$2,051,377 46	\$374,978 00	\$1,197,310 57
Current expenses	13,331 66	23,549 64	49,378 33	41,295 67	14,111 77	7,141 41	404 54	10,317 44
Checks and other cash items	8,007,500 00	1,010,000 00	2,351,000 00	2,143,350 00	412,800 00	1,283,870 00	210,500 00	1,208,000 00
Bills of national banks	500,000 00	30,000 00	203,000 00	200,000 00	200,000 00	100,000 00	.....	.....
Full of other banks	40,000 00	345,000 00	1,500 00	212,300 00	107,070 00	.....	250 00	.....
Fractional currency	729,377 97	10,332 50	58,697 12	68,000 00	98 4 79	10,435 65	101,000 00	41,000 00
Local tender notes	1,110,064 49	199,741 11	241,161 65	173,147 13	185,345 96	676,665 61	92,844 26	607,607 57
Compound interest notes	201,194 74	30,714 68	814,785 33	173,392 59	24,708 94	77,368 57	7,007 59	10,079 65
Three percent certificates	63,916 56	44,258 64	76,364 83	25,032 95	141,550 14	178,8 6 33	60,491 96	139,419 35
	592,880 93	250,195 84	983,409 45	202,046 50	7,192 81	100,990 00	15,233 60	194,731 47
	181,089 83	59,973 54	61,474 37	35,464 60	22,630 63	6,594 28	15,233 60	38,487 12
	40,518 75	6,374 37	53,467 41	31,0 5 30	16,944 33	8,14 31	5 00	62,070 00
	1,965,656 88	53,220 58	255,630 45	72,318 30	22,195 58	37,833 11	30,451 98	151,376 68
	192,114 00	163,870 00	194,231 00	32,068 00	67,074 00	283,56 00	32,068 00	6,750 00
	2 295 00	.....	750 00	35,035 00	1 730 00	.....	.....	.....
	6,866 26	2,730 36	11,339 14	22,150 40	8,169 65	25,743 63	7,105 44	2,810 54
	206,188 37	21,484 31	65,005 45	74,673 37	14,740 45	37,000 48	44,291 15	72,348 39
	2,024,069 00	25,1478 00	439,124 00	283,976 06	279,746 00	737,4 4 00	126,000 00	361,544 00
	1,000,000 00	210,000 00	5,000 00	60,000 00	.....	73,000 00	.....	.....
Total	\$33,328,030 75	\$4,235,555 17	\$9,658,795 65	\$5,704,843 97	\$2,555,409 91	\$5,730,005 07	\$1,317,719 64	\$4,082,601 46

LIABILITIES.

	Baltimore.	Washington.	Virginia.	W. Virginia.	N. Carolina.	Georgia.	Alabama.	N. Orleans.
Deposits	\$10,391,955 00	\$1,250,000 00	\$2,331,650 00	\$2,116,400 00	\$622,500 00	\$1,000,700 00	\$400,000 00	\$1,370,000 00
Notes	1,874,803 60	2 5 0 10	169,449 20	267,580 48	64,308 26	168,000 00	17,878 15	60,100 00
Other cash items	1,016,106 29	194,869 25	201,003 61	161,743 29	289,774 08	352,311 66	67,101 60	139,553 81
Deposits	9,139,854 00	810,500 00	2,063,590 00	1,694,774 00	174,000 00	1,322,675 00	262,481 00	1,049,579 00
Notes	151,458 00	.....	.....	911 00	.....	.....	.....	.....
Other cash items	10,754,316 75	1,374,618 36	2,324,747 37	1,979,467 11	1,255,956 06	2,173,664 14	470,814 78	1,363,302 69
Deposits	134,304 72	133,936 13	196,394 98	125,843 40	.....	20,754 90	.....	.....
Notes	.....	.....	113,967 09	8,906 19	.....	100,000 00	.....	.....
Other cash items	1,792,670 60	98,918 64	132,408 16	86,548 93	24,590 02	52,663 43	619 29	62,617 54
Deposits	210,921 48	9,901 69	66,460 65	99,731 01	48,655 55	31,859 09	2,780 78	64,178 48
Notes	100,000 00	.....	70,578 14	71,100 00	.....	.....	.....	.....
Total	\$53,336,070 75	\$4,235,555 17	\$9,658,795 65	\$5,704,843 97	\$2,555,409 91	\$5,730,005 07	\$1,317,719 64	\$4,082,601 46

	Texas.	Arkansas.	Kentucky.	City of Louisville.	Memphis.	Obio.	City of Cincinnati.	City of Cleveland.	Indiana.
Loans and discounts.....	\$444,048 99	\$2,125,207 00	\$1,024,126 16	\$1,024,001 35	\$2,738,000 00	\$20,534,214 43	\$0,597,794 61	\$4,884,004 95	\$15,500,823 34
Overdrafts.....	61 28	19,024 16	1,777 90	8,709 02	56,261 90	156,703 00	7,505 94	34,889 09	15,561 31
U. S. bonds to secure circulation	473,000 00	1,777 90	1,777 90	975 00	1,400,000 00	14,000 00	8,478,000 00	2,894,000 00	12,198,500 00
U. S. bonds to secure deposits	200,000 00	185,000 00	185,000 00	150,000 00	460,000 00	1,981,500 00	1,293,500 00	5,500 00	1,141,000 00
U. S. bonds and securities on hand	70,000 00	3,500 00	3,500 00	6,500 00	46,500 00	900,000 00	23,400 00	16,500 00	449,750 00
Other stocks and bonds	8,410 59	7,600 00	7,600 00	6,300 00	306,051 05	810,717 95	23,400 00	9,519 27	297,882 53
Due from redeeming agents.	203,141 89	307,938 09	41,437 93	135,418 56	670,094 91	1,965,099 98	990,535 42	547,400 00	1,842,894 08
	54,119 61	2,926 41	41,437 93	82,967 14	599,127 85	760,544 13	237,360 54	212,479 23	9,200 00
	94,687 09	8,688 45	68,890 38	33,590 84	183,928 11	480,373 89	111,618 59	140,977 89	309,063 61
	17,938 58	8,719 65	108,332 17	35,706 38	171,583 28	616,330 61	160,647 89	197,189 50	648,037 19
	16,000 84	937 50	30,224 44	8,691 03	56,846 51	111,453 00	30,450 27	13,714 80	332,094 11
	11,909 01	.....	2,499 76	.....	81,877 65	24,620 41	.....	55 00	30,579 08
	8,008 84	415 00	12,320 30	9,789 77	60,444 14	386,035 49	114,845 29	146,024 75	170,814 53
	23,266 00	.....	44,454 00	11,689 00	211,598 00	354,835 00	163,978 00	77,381 00	285,761 00
Bills of other banks.....	.....	.....	60 00	.....	.....	8,544 00	1,347 00	8,398 00	10,309 00
Fractional currency.....	981 78	791 49	6,114 59	1,053 64	14,408 77	86,827 19	16,700 25	18,398 64	70,875 93
Specie.....	217,182 83	307 90	3,308 74	14,225 31	21,314 93	28,500 41	15,948 20	2,965 28	31,319 87
Legal tender notes.....	143,830 00	297,568 00	297,568 00	22,308 00	547,409 00	2,871,254 00	1,066,241 00	503,368 00	2,107,348 00
Compound interest on bills.....	100 00	.....	.....	.....	.....	280 00	.....	.....	1,210 00
Three per cent certificates.....	.....	.....	.....	.....	.....	400,000 00	150,000 00	275,000 00	60,000 00
Total.....	\$1,945,039 05	\$5,120,255 31	\$5,120,255 31	\$2,600,417 26	\$7,738,764 61	\$46,818,280 25	\$13,715,974 04	\$9,438,660 69	\$36,643,628 94
	\$525,000 00	\$50,000 00	\$1,887,000 00	\$250,000 00	\$1,087,409 00	\$15,320,700 00	\$3,500,000 00	\$3,087,099 00	\$1,757 00
	89,230 00	7,110 13	150,989 88	137,813 54	183,928 11	2,774,184 98	703,011 41	634,140 79	2,504,819 83
	101,066 88	3,001 71	204,595 14	89,823 28	204,754 27	796,404 96	184,281 20	24,965 07	1,701,468 00
	387,785 00	44,477 03	1,539,131 00	787,603 00	1,141,743 00	13,897,825 00	2,904,585 00	1,808,665 00	10,935,963 00
	665,181 64	23,749 58	1,092,080 43	487,640 79	3,781,449 14	13,239,467 08	3,611,423 89	3,116,459 23	8,549,358 50
	65,616 24	.....	144,260 23	14,460 09	210,724 94	635,553 94	293,253 03	283,604 24	547,897 90
	182,513 23	.....	10,356 73	.....	98,319 53	25,503 65	10,612 60	29,378 05	76,814 61
	8,726 99	9,700 71	46,953 16	124,593 97	29,600 80	415,091 59	2,117,647 66	115,739 26	1,000,828 31
	33,645 49	.....	117,269 35	63,475 74	60,330 55	353,797 69	233,769 85	94,546 04	121,673 25
	.....	.....	10,609 35	.....	19,380 00	22,873 59	.....	140,000 00	6,000 00
	.....	.....	.....	.....	.....	.....	.....	6,523 00	12,400 00
Total.....	\$1,945,039 05	\$5,120,255 31	\$5,120,255 31	\$2,600,417 26	\$7,738,764 61	\$46,818,280 25	\$13,715,974 04	\$9,438,660 69	\$36,643,628 94

* Exclusive of the City of Louisville.

† Exclusive of the Cities of Cincinnati and Cleveland.

	St. Louis.	Kansas.	Leavenworth.	Nebraska.	Nevada.	Ore on.	Colorado.	Montana.	Idaho.
Loans and discounts	\$1,601,400.00	\$28,191.46	\$280,000.00	\$24,640.54	\$2,176.23	\$3,528.00	\$17,415.17	\$108,000.24	\$8,000.00
Overdrafts	44,221.49	9,248.08	14,433.75	39,688.72	18,028.83	8,641.11	24,141.90	4,611.00	5,721.91
U.S. bonds to secure cul'n	3,861.00	182,000.00	200,000.00	235,000.00	165,000.00	100,000.00	8,700.00	4,000.00	75,000.00
U.S. bonds to secure de. o'its	810,000.00	0.00	350,000.00	470,000.00	0.00	50,000.00	15,000.00	20,000.00	0.00
U.S. bonds, etc. on hand	22,450.00	1,400.00	1,400.00	62,750.00	0.00	9,300.00	1,600.00	0.00	0.00
Other stocks, bonds, etc.	1,400.00	25,100.70	59,469.51	60,199.19	0.00	41,771.81	16,000.46	1,084.83	0.00
Due from clearing agents	945,186.77	40,408.71	109,749.44	126,401.96	18,015.83	9,617.84	13,651.40	1,175.45	1,499.41
Due from national banks	97,262.98	181,565.45	79,935.76	46,261.01	4,453.37	0.00	54,466.26	0.00	753.11
Due from other banks	10,201.43	8,951.94	14,615.61	14,674.40	43,880.68	6,199.71	1,400.31	4,200.73	25,913.86
Real estate, furniture, etc.	140,460.03	25,757.82	42,731.81	44,150.00	24,137.77	2,529.14	97,440.00	17,673.67	13,217.33
Current expenses	1,579.60	1,275.81	8,030.63	27,111.23	8,946.35	4,032.77	15,777.91	12,627.65	6,769.00
Interest	15,177.26	2,007.75	0.00	10,909.85	0.00	2,876.75	4,362.35	7,999.00	0.00
Checks and other cash items	871,923.23	9,038.92	11,747.39	39,556.26	250.80	17,231.88	17,143.28	7,525.88	8,283.41
Bills of national banks	159,117.00	20,815.00	15,077.00	1,458.00	5,600.00	0.00	8,142.00	1,163.00	500.00
Bills of other banks	4,680.00	1,940.81	9,545.20	16,621.13	0.00	812.91	0.00	0.00	0.00
Friction currency	20,551.56	1,187.63	800.00	14,974.79	63,148.89	25,146.63	81,520.51	26,666.77	9,617.74
Prepaid	47,151.61	0.00	0.00	0.00	20,063.00	24,113.00	148,241.00	20,000.00	24,300.00
Legal tender notes	590,455.00	1,589.00	67,034.00	819,980.00	0.00	0.00	0.00	0.00	0.00
Com. on interest note	0.00	320.00	10,000.00	130.00	0.00	0.00	0.00	0.00	0.00
Three per cent certificate	626,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tot l.	\$18,961,127.78	\$895,078.55	\$1,226,969.03	\$2,716,429.94	\$626,506.07	\$876,063.49	\$1,519,641.73	\$309,639.69	\$50,727.81
Capital stock	\$6,810,900.00	\$200,000.00	\$200,000.00	\$400,000.00	\$250,000.00	\$1,000,000.00	\$850,000.00	\$100,000.00	\$100,000.00
Surplus fund	0.00	0.00	41,888.85	2,420.08	0.00	4,000.00	0.00	0.00	2,251.10
Unpaid profits	572,331.62	21,306.65	29,177.71	196,494.42	61,726.63	29,807.76	45,000.72	11,455.00	5,930.81
National bank note outstanding	8,450,000.00	139,200.00	17,000.00	160,500.00	131,005.00	85,291.00	254,000.00	35,955.00	63,835.00
State bank note outstanding	8,450,000.00	485,717.12	428,418.20	1,287,893.27	179,233.39	78,269.49	707,544.38	49,971.93	75,864.74
Individual deposits	4,480,017.91	44,700.24	71,785.02	281,911.25	0.00	44,971.24	7,185.60	2,800.78	0.00
Unpaid deposits	24,460.07	11,111.51	232,666.65	173,411.00	0.00	20,028.41	3,224.85	29,117.43	0.00
Deposits of U.S. officers	9,631.87	2,500.24	28,719.73	7,340.27	0.00	0.00	1,523.11	1,037.00	8,715.71
Deposits of other banks	6,111.16	2,100.47	9,033.04	4,800.16	0.00	0.00	1,037.00	60,332.95	1,600.95
Notes on bills received	1,277.51	0.00	0.00	20,968.79	0.00	0.00	0.00	0.00	0.00
Business payable	1,277.51	193.43	0.00	0.00	0.00	1,000.00	0.00	0.00	0.00
Tot l.	\$2,441,177.76	\$895,078.55	\$1,226,969.03	\$2,716,429.94	\$626,506.07	\$876,063.49	\$1,519,641.73	\$309,639.69	\$50,727.81

* Exclusive of the City of Leavenworth.

NATIONAL BANK RESERVES.

We are indebted to the Comptroller of the Currency for the following tables, showing the state of the lawful money reserve of the National banks on the 12th day of June, 1899.

Statement of the condition of the lawful money reserve (required by sections 81 and 82 of the National Currency Act) of the National Banking Associations of the United States and Territories, as shown by his reports of their condition at the close of business on the 12th of June, 1899.

STATES AND TERRITORIES.	Number of banks reporting.	Liabilities to be protected by reserve of 15 per cent.	Amount required as reserve.	Local funds.	Specie.	Items of reserve.		Amount of avail. reserve.	Per cent of available reserve to liabilities.
						Three per cent temp. certificates.	Am't. in re temp. circulation.		
Maine.....	41	\$12,94,849	\$1,52,780	\$1,04,120	\$50,049	\$10,000	\$1,018,094	\$2,683,108	21
N. W. Hampshire.....	41	6,284,289	912,214	434,195	9,897	30,000	1,001,456	1,442,618	23 7-10
Vermont.....	40	7,448,440	1,192,961	694,810	31,585	110,000	882,168	1,890,121	31 4-10
Massachusetts.....	160	51,860,918	7,704,196	3,102,659	163,544	333,000	6,910,897	10,641,090	30 7-10
Rhode Island.....	63	18,478,093	2,481,409	1,849,159	38,000	130,000	1,782,498	3,229,710	17 5-10
Connecticut.....	61	30,691,818	4,490,889	3,402,094	38,797	243,000	4,046,618	7,490,394	18 1-10
New York.....	238	72,485,918	10,574,713	6,380,715	194,471	1,257,000	7,739,777	14,300,948	19 5-10
N. W. Jersey.....	64	29,491,143	3,614,418	1,443,544	37,494	335,000	3,384,093	6,449,100	23 5-10
Pennsylvania.....	151	44,634,784	6,489,658	4,810,365	63,787	80,000	4,432,740	9,642,695	21 5-10
D. C. W. Va.....	11	8,653,423	871,219	308,267	4,830	60,000	309,178	502,280	23 8-10
.....	19	2,415,001	682,919	470,84	28,181	40,000	404,913	1,011,183	34
.....	16	5,895,410	1,54,478	499,144	38,805	8,000	341,183	871,031	15 8-10
.....	14	3,937,410	583,567	284,945	14,078	65,000	178,147	686,055	16 8-10
.....	6	1,600,444	34,000	254,088	39,307	.....	138,357	421,853	25 1-10
.....	8	1,460,405	219,294	270,746	14,740	.....	69,491	767,817	23 8-10
.....	8	2,580,411	548,71	787,594	22,991	75,000	694,66	1,477,151	41 7-10
.....	3	723,446	110,093	125,000	44,995	.....	98,994	361,479	26 7-10
Texas.....	4	1,200,51	187,043	146,680	317,183	.....	209,148	659,254	52 7-10
Kentucky.....	11	2,742,778	412,418	307,469	3,303	5,000	307,299	618,410	22 8-10
Tennessee.....	13	5,571,1	796,516	547,400	94,345	30,000	60,445	1,072,369	34 8-10
Ohio.....	10	27,058,743	4,014,477	2,477,544	36,880	400,000	1,046,101	5,990,814	19 5-10
Indiana.....	60	20,114,034	3,012,800	2,102,454	31,819	90,000	1,612,844	3,812,071	19 8-10
Michigan.....	28	15,490,843	2,322,044	1,694,197	77,408	107,000	1,804,66	3,845,701	24 8-10
Wisconsin.....	34	9,054,792	968,419	759,194	24,494	15,000	2,27,308	1,430,044	21 4-10
Iowa.....	49	4,74,091	64,114	487,057	17,161	80,000	4,8145	1,018,848	25 1-10
Minnesota.....	37	0,197,418	1,435,230	1,017,164	39,491	36,000	694,913	2,810,757	24 7-10
Illinois.....	10	2,201,03	3,210	304,097	19,475	34,000	615,546	648,677	21 1-10
.....	3	51,869	97,715	109,189	1,165	10,000	303,436	604,598	27 6-10
.....	4	2,010,511	602,398	331,198	14,875	.....	40,01	147,798	24 7-10
.....	1	271,34	44,81	391,65	94,114	.....	890,406	1,091,406	33 8-10
.....	1	3,192,109	44,810	34,510	30,510	.....	18,015	181,954	49 4-10
.....	2	1,031,944	153,419	144,24	80,611	.....	284,651	317,416	21 8-10
.....	1	184,938	301,819	34,000	36,504	.....	1,175	44,300	41 1-10
.....	1	184,163	301,819	34,000	36,504	.....	1,175	44,300	41 1-10
Total.....		\$518,792,450	\$80,117,234	\$50,117,234	\$81,027,178	\$6,946,000	\$47,946,979	\$96,494,116	21 5-10

Statement of the condition of the lawful money reserve required by sections 31 and 32 of the National Currency Act, of the National Banking Associations located in the cities named in section 31, except in New York, as shown by the reports of their condition at the close of business on the 12th day of June, 1869.

REDEMPTION CITIES.									
	46	* \$70,340,505	\$17,570,126	\$643,904	\$4,845,000	† \$5,923,734	\$19,114,245		27 8-10
Boston.	11 5:35.3	2,572,378	12,120	54,100	2,389,435	4,388,213		27 9-10
Albany.	50 4:05.87	12,648,797	140,068	5,791,000	1,284,281	15,398,015		20 4-10
Philadelphia.	14,841,073	3,722,763	38,851	645,000	1,491,305	3,714,935		24 9-10
Pittsburg.	17,540,740	4,440,185	526,186	1,060,000	1,140,064	4,611,809		25 6-10
Baltimore.	2,754,788	657,197	2,484	210,000	188,741	757,703		27 6-0
Washington.	2,261,465	567,206	72,548	.....	567,568	1,001,555		44 8-10
New Orleans.	1,402,339	350,580	14,295	.....	185,499	875,712		26 8-10
Louisville.	8,850,416	2,212,604	15,949	5,000	920,585	2,162,875		24 8-10
Cincinnati.	5,140,319	1,255,800	2,265	150,000	547,805	1,331,178		26 9-19
Cleveland.	20,143,74	5,08,794	40,852	275,000	2,842,785	6,725,891		33 4-10
Chicago.	3 479 93	469,823	372	590,000	5 1,606	1,290,418		31 7-10
Detroit.	2,636,077	657,027	6,814	150,000	376,242	807,76		30 7-10
Milwaukee.	8,995,484	1,249,621	47,516	6 5,000	901,187	2,46,158		27 4-10
St. Louis.	911,732	225,435	800	10,000	109,749	157,583		20 8-10
Leavenworth.								
Total.....	164	\$22,040,716	\$55,511,681	\$1,886,321	\$14,965,000	\$19,304,317	\$61,305,261		28 9-10

Statement of the condition of the lawful money reserve required by sections 31 and 32 of the National Currency Act, of the National Banking Associations located in the city of New York, as shown by the reports of their condition at the close of business on the 12th day of June, 1869.

Items of reserve									
Number of banks reporting.	Liabilities to be provided by reserve of 26 p. c. of amt.	Amount required as reserve.	Legal tender.			Gold Treasury notes.		8 p. c. temporary loan certificate.	Per cent of available reserve to liabilities.
			Specie.	U. S. bonds.	U. S. bonds.	U. S. bonds.	U. S. bonds.		
New York.....	55	\$50,804,151	\$16,152,021	\$5,642,519	\$8,983,695	\$19,055,000	\$11,560,000		20 1-10

* liabilities of banks in title to be protected by a reserve of twenty-five per cent of the amount.
† Amount in New York City available for the redemption of circulation.

THE CHINESE AGAIN.

Since the article in this MAGAZINE last month upon Chinese emancipation, the action of the Memphis Convention has been made public. It adds something to our positive knowledge of the subject, but it is more fruitful in suggestions and speculations. One result of that Convention was the organization of the Mississippi Valley Emigration Company, the capital stock of which was placed at \$1,000,000, in shares of \$100, and \$40,000 were at once subscribed. The object of the company is to bring in Chinese laborers as fast as possible and to distribute them first among the stockholders and then through the community at large. From statements made at the Convention it appears that Chinese laborers can be brought to San Francisco from Chinese ports for \$45 in gold. From San Francisco to Memphis they can be transported for from \$45 to \$50 in currency, the rate depending upon the number in a "consignment." From Memphis to various points at the South they can be distributed at rates varying from one cent per mile by rail, to from \$1 to \$2 50 a head on the water routes, as the distance may be. From Hong Kong to New York by sail, the rate would be from \$100 to \$125 in gold. The time from China to the Mississippi would be thirty-five or forty days by the California route, and by New York, say, one hundred and twenty-five days. On the subject of wages it was generally conceded by the speakers at the Memphis Convention that the rates paid would be far below the wages under the present system. It was impossible to arrive at exact statements but Mr. Koopmanschaap, the Chinese contractor, said the Chinese now in California must have \$20 a month to induce them to come east, but fresh importation could be made upon a five year contract for ten or twelve dollars a month and transportation paid.

A Chinese merchant addressing the Convention warned them against the importation of the Chinese labor of the coast cities, and urged the importance of carefully selecting them from the agricultural classes and the artisans of the interior. The Hawaiian Commissioner of Emigration, in a letter to the Convention, spoke of the striking differences in Chinese laborers, and said that in consequence of inattention to selection, the Coolies had given great disappointment in Peru, Cuba and the Sandwich Islands. He urged the importance of a careful and experienced personal selection of young, healthy and intelligent laborers. Mr. Koopmanschaap, the Chinese contractor, has brought 30,000 to California, and he is ready to promise to bring 100,000 in the coming year. Through him the Central Pacific Railroad was supplied with labor. He asserts that the Chinese keep their contracts.

Considerable opposition to the Chinese has been excited by the circum-

stance that they will work for less wages than is now paid for labor. It is precisely for this reason that they will prove a desirable addition to the productive force of the country. Hostility to the Chinese on this account is as unphilosophical and shortsighted as the former opposition to labor saving machinery and to the new mechanical inventions which promise to increase production, lessen cost and add to the happiness of all classes. If this unskilled labor comes here it will at once need the service of our skilled mechanics and laborers to instruct and direct it. At once a host of our present workmen become overseers, foremen, even employers and capitalists. Our workmen have already found foreign labor more profitable in canal and railroad building than if they had done this work themselves. They have been advanced from drudgery to direction, and they have seen, in spite of the enormous emigration from Europe, a gradual and steady increase in the wages of labor, and the sum of comfort that the reward of labor secures. Such will be the result of an Asiatic emigration, and the ones who bewail its approach now and predict an inroad of evils, will live to regret the hasty and unreasonable judgement they have formed. The great need of this country is labor—labor in the lowest grade and labor that is skilled and intelligent. Here is a broad field for developement for an increasing population, for expanding interests. Whatever cheapens products benefits all these interests and adds to the aggregate wealth of the community.

It is a curious fact that the Convention of both political parties in California, held within the last few weeks, have passed such resolutions against the emigration of Chinese as they never would have passed against the emigration of Europeans. The California senators have also spoken. The difference in the language of the two parties is this: One objects *in toto* to Chinese emigration and Chinese suffrage. The other objects to Chinese suffrage but would protect "inoffensive" emigrants. One California senator says that it is the duty of every class of citizens to prevent the introduction of the Chinese. To-day he says they will compete with the common laborer, "to-morrow with the mason, the bricklayer, the carpenter, and the machinist, for they are *the most frugal, industrious and ingenious people on the face of the earth.*" The senator pointed to a "splendid granite building," the stone of which was cut in China, and said that he favored keeping such men out of the State—men who can do the work for less than half the price paid the white mechanic. The fact that these men are "frugal, industrious and ingenious," would imply that they were most valuable additions to our labor force. In building our great public works, railroads, canals, wharves and piers, in dredging harbors, in developing mines of coal and iron, it is this cheap labor that is needed. This senator's speech clearly refutes itself. Another

California senator writes a letter on the same subject. But he, too, is evidently influenced by the prevalent California sentiment. He does not fear the State will be overrun, but thinks the Chinese will be apt to find their way to Mexico. He adds, however:

Besides Mexico, nearly all of Central and South America is open to them, and mankind would be greatly benefited by their coming. The wealth and happiness of the world would be indefinitely increased thereby. I cannot sympathize with that eminently Chinese policy of excluding from the uncultivated fields of the New World a y people who desire to increase the number of blades of grass and ears of corn. It has long been our proudest boast that America is the asylum of the oppressed of all lands and if the crowded populations of Asia as well as of Europe desire the privilege of expanding their labor here, let them come. Our immigration from Europe this year is unusually large—more than 25,000 in excess of last year at this date. These tides may meet and possibly mingle, but it is more likely that the Asiatic portion will be deflected southward, where a more congenial home for them can be found.

I can remember no country that has not been benefited by legitimate immigration. Our own is a conspicuous example of this. In some cases we could have desired a better class of immigration, but we have repelled none, and the general result has been advantageous. The character of population, independent of race, depends much upon the country and climate in which they are thrown, and the descendants of the Chinese, should their descendants grow up in this country, may conform closely to our habits of thinking and acting. Such at all events, has been the case with every other race that has come to this country. If, in that event, they should claim, and be permitted to exercise the privileges of citizenship, no evil can come of it.

We have quoted the opinions of these Senators rather as representative of the opinion that prevails on the Pacific Slope than for any other purpose, and we firmly believe that they are opinions that time will so modify, that in a few years no more objection will be made to an Asiatic than to a European emigrant, and a decided preference will be given to industry, frugality and ingenuity, come whence they may.

In the midst of this discussion of Chinese emigration, a law of the United States, passed in 1862, is brought up, and it is claimed that this act is prohibitory of this emigration as it has been conducted. It is just possible that the act is misunderstood, and that it applies not to the transportation of Coolies from China to the United States, but to the use of American vessels for carrying Coolies from China to ports in other foreign countries. But whatever interpretation is placed on the act this fact remains, that the "free and voluntary emigration of any Chinese subject" is not prohibited. Besides this, it would seem strange, considering the hostility of Californians to the Chinese, that Mr. Koopmanschap and his associates had never been interfered with. There was United States law against them. There was local antipathy pervading not only the masses, but inspiring the politicians, and yet they imported the Chinese without interference or question. If the law of 1862 should be interpreted as it is, by those who use it as a shield against the emigration of Chinese, there is little doubt it will be modified, and that the emigra-

tion of Asiatics will be protected only by the same safeguards that are thrown about all emigration. The fear of peonage or slavery will not be felt. The Constitutional guarantee which protects the negro will protect the Asiatic; and, under a beneficent government of equal laws, with climate and production unrivalled, with labor free and unharnessed, there can be no doubt that prosperity and development will be all that we could wish or hope for.

RAILROAD EARNINGS FOR JULY AND SINCE JANUARY 1.

The earnings of the several important lines of railroad which report their monthly traffic, have now been obtained and are published in our usual tabular form below. It is much to be regretted that so few companies furnish to their own stockholders, who are indeed the actual owners of the property, a statement of the monthly earnings of the roads, since the *bona fide* value of the shares which they hold, depends from time to time, almost entirely upon the condition of the traffic. It is hardly possible to suggest a single remedy, which would be more effective in preventing the gross and dishonorable speculations in railroad stocks by directors and their friends, to the injury of innocent stockholders, than the passage of a law or Stock Exchange rule, requiring every company, whose shares are sold at the board, to have a monthly report of expenses and earnings recorded where stockholders could examine it at their pleasure. The tendency of legislation is now in this direction. and within a few years it is more than probable that such laws will be made.

There are several points worthy of attention in regard to the July earnings. The Chicago and Alton road shows a considerable decrease from the earnings of July, 1868, as in that month the additional mileage from the leased line (150 miles) was added, and the comparison for the previous months of the current year having been made with the earnings of a shorter line, has naturally shown a very large apparent increase.

The earnings of the consolidated "Lake Shore and Michigan Southern Railway" are given now for the first time, and show an increase of about \$40,000 over the earnings of the constituent roads in 1868.

The earnings for July are as follows :

RAILROAD EARNINGS FOR JULY.				
	1869.	1868.	Inc.	Dec.
*Chicago & Alton.....	\$353,733	\$104,013	\$...	\$50,276
Chicago & Northwestern.....	1,167,155	1,011,163	75,649	....
Chicago, Rock Island & Pacific.....	440,300	84,825	98,415	....
Illinois Central.....	65,793	549,714	112,079	....
Marquette & Cincinnati.....	109,502	108,413	1,049	....
Michigan Central.....	329,900	321,013	8,947	....
Lake Shore & Michigan Southern.....	727,045	638,934	40,111	....
St. Paul & Northern Pacific.....	586,312	423,897	162,945	....
Ohio & Mississippi.....	192,864	191,405	...	2,091
St. Louis, Alton & Terre Haute.....	129,761	143,983	...	14,225
Toledo, Wabash & Western.....	310,800	283,833	26,967	....
Total.....	\$5,004,713	\$4,549,108	\$526,242	\$61,592

* The comparison now includes, for the first time, the same mileage as in 1863.
† Mileage greater than last year.
‡ Includes Dubuque and Iowa City leased line.
§ The earnings of consolidated lines now first reported.

The total earnings from January 1 to July 31, for the current and last previous years were as follows :

EARNINGS FROM JANUARY 1 TO JULY 31.				
	1868.	1869.	Inc.	Dec.
Chicago & Alton.....	\$2,465,463	\$2,189,330	\$276,133	....
Chicago & North Western.....	7,685,411	6,947,963	737,448	....
Chicago, Rock Island & Pacific.....	2,770,409	2,229,161	541,248	....
Illinois Central.....	4,429,374	3,635,716	793,658	....
Marquette & Cincinnati.....	747,444	642,846	104,598	....
Michigan Central.....	2,605,315	2,406,587	198,728	....
*Lake Shore & Michigan Southern.....	3,261,310	2,917,870	343,440	....
Milwaukee & St. Paul.....	3,562,319	2,907,457	654,862	....
Ohio & Mississippi.....	1,665,553	1,677,534	....	\$110,951
St. Louis, Alton & Terre Haute.....	1,049,547	980,473	69,074	....
Toledo, Wabash & Western.....	2,186,084	1,926,178	259,906	....
Total.....	\$12,167,216	\$28,702,318	\$3,535,101	\$110,951

FOREIGN TRADE OF THE UNITED STATES.

From the last monthly report of the Bureau of Statistics we compile the following statement of the imports and exports of the United States for the first eleven months of the fiscal year 1868-9. The imports are of course invariably entered in specie value, and, in order to facilitate comparison, the official statistician has reduced the exports of produce, which are entered in currency value, to gold value also :

IMPORTS FOR ELEVEN MONTHS ENDING, MAY 31, 1869.			
	Merchan- dise.	Gold and Silver.	Aggrgate.
1868.			
July	\$3,322,154	\$467,762	\$3,789,916
August	83,218,621	1,321,176	84,539,797
September	82,048,070	1,438,715	83,486,785
October	81,259,236	1,033,309	82,292,545
November	27,948,836	1,107,604	29,056,440
December	21,116,534	884,142	22,000,676
1869.			
January	29,610,742	501,892	30,112,634
February	32,586,183	2,537,641	35,123,824
March	47,723,592	2,448,173	50,171,765
April	47,096,943	5,142,491	52,239,434
May	40,901,82	637,003	41,538,827
Total	\$379,279,245	\$13,115,112	\$392,394,357

EXPORTS DOMESTIC PRODUCE AND SPECIE FOR ELEVEN MONTHS ENDING MAY 31, 1869. (PRODUCE REDUCED TO GOLD VALUE.)

	Specie.	Produce and Merchandise.	Aggregate.
1868.			
July	\$10,405,259	\$2,310,045	\$12,715,304
August	1,647,341	15,102,394	16,749,735
September	2,672,849	15,062,452	17,735,301
October	2,464,470	20,307,949	22,772,419
November	1,811,809	27,053,985	28,865,794
December	2,891,258	31,310,192	34,201,450
1869.			
January	4,635,691	22,912,561	27,548,252
February	3,768,061	26,707,373	30,475,434
March	1,824,773	22,848,874	24,673,647
April	1,394,812	31,556,055	32,950,867
May	3,057,895	26,177,549	29,235,444
Total	\$33,732,318	\$251,674,404	\$285,406,722

* Includes the consolidated lines for July, and Michigan Southern previously.

REPORTS OF FOREIGN PRODUCTS AND SPECIE, FOR ELEVEN MONTHS ENDING MAY 31, 1869.

	Merchan- di-e.	Go'd and Silver.	Aggregate.
1868.			
July	\$786,178	\$854,492	\$1,640,670
August	781,712	878,973	1,660,685
September	1,017,418	422,554	1,520,042
October	921,843	628,115	1,550,978
November	701,119	293,293	1,033,507
December	737,815	904,152	1,642,707
1869			
January	677,269	558,112	1,235,381
February	511,992	1,715,548	2,227,540
March	950,973	2,859,175	3,810,148
April	1,211,575	1,768,862	2,980,437
May	1,185,225	2,111,614	3,296,839
Total	\$9,612,629	\$12,518,075	\$22,130,704

RECAPITULATION.

Total imports eleven months	\$397,391,357
Exports domestic produce and produce and specie eleven months	\$290,406,680
Exports foreign produce and specie eleven months	22,200,701
Total exports eleven months	\$312,607,384
Excess of imports	\$84,786,973

The result of the eleven months' trade is a balance against the country of \$84,786,973, upon the purely commercial exchanges.

Since the above was written we have received by telegraph the figures for June, the last month of the year. They are not, however, furnished in sufficient detail to classify them, as is done for the eleven months in the foregoing tables. Copies of the printed report will probably be ready in about two weeks. The total statement for the twelve months is given by telegraph as follows :

	Imports.	Gold Values Exports.	Re-exports.
For the year ending June 30, 1869	\$487,026,541	\$18,103,765	\$25,180,167

From the foregoing it will be seen that our imports during the year exceed our exports and re-exports combined by \$93,792,609.

THE USURY PROSECUTIONS.

Judge Cardozo has acted wisely in inflicting a very lenient punishment on the brokers who were convicted on their own confession under the usury laws of this State. We have no sympathy with those who clamored for severity on the ground that by sending to prison for three months some of the richest money-lenders in Wall street, the law would become odious, and would be more certainly repealed at the next session of the Legislature. It is only within the last two years that flagrant violations of this law have been practised in this city. Previously the banks were extremely scrupulous, as were also private lenders, to keep within the strict letter of the statute. The recent combinations to lock up

currency and to put the *tourniquet* on the money market have, however, produced so much mischief to general business and have inflicted losses of such magnitude and cruelty on our mercantile and industrial interests, that some prompt remedy had to be applied. The remedy of prosecution under these old usury laws was tried, and was found successful. This result has secured a popular approval for the usury laws which they have never had before, and as every effort to repeal these statutes has failed heretofore, so there is now the more probability that future efforts would fail, even if supported by the odium of severe and rigorous punishments inflicted on persons convicted. Such ill-timed severity would have been objectionable for many reasons. Prominent among them is the notorious fact that the ringleaders in the conspiracy to lock up money have not been prosecuted and cannot be reached, and that as frequently happens in this class of prosecutions the persons proceeded against are almost exclusively subordinate agents. Moreover, the law has slumbered for more than thirty years, and no conviction we believe has been made under it before. Hence the judicious and moderate forbearance of the court is much approved and meets exactly the great principle of penal legislation, that it is the certainty rather than the severity of punishment which deters from crime.

There is no necessity to conceal the simple questions of fact involved in these proceedings by any general disquisitions as to the causes which govern the rate of interest, and the necessity of leaving untrammelled the great laws of supply and demand, both in the money market and elsewhere. The popular mind discards such refinements of reasoning as inapplicable here. What is patent is that a grave wrong was done to thousands of business men and to the public generally by the manoeuvres of a tight money clique as it was called, and that for this wrong a remedy was found—an effective remedy—in the prosecutions for usury. As the trouble was stopped by these prosecutions, so the people will be likely to insist that the statutes whose enforcement as seemed to confer a public service shall be maintained in force, or at least shall not be repealed until some safeguard of equal efficacy can be substituted.

Such, we say, is the popular view of this affair. And hostile as we are to any unnecessary interference by governmental authority with the free movements of business, we cannot wonder at the turn which the popular sentiment has taken. For our financial machinery is so wanting in elasticity, so liable to spasms and jerks, so sensitive to slight disturbances and interruptions, that we have lately seen a shrewd clique, who can control but 10 or 12 millions of dollars, throw the whole money market into confusion. And until this needful elasticity and strength can be imparted to our monetary machinery, the people will be sure to look

with favor to any expedients—and even to such expedients as usury laws—if thereby protection can be had from such mischiefs and widespread calamities as have been caused by the monetary stringency and financial spasms of the last few months.

The great lesson, then, we should learn from the usury prosecutions and from the popular approval that they have secured is, that there is a pressing need for such elasticity in that the currency, artificial monetary stringency shall not be under the control and at the bidding of any band of speculators who may choose to club their means together to produce trouble. When the money market is strengthened against these sinister influences, the people will feel safe and they will be less likely to look to usury prosecutions to protect them.

But how, it has been asked, is this elasticity to be given. Mr. Boutwell has answered this question by his recent purchases of bonds for the sinking fund. By them he has returned to the channels of business, all the currency received into the Treasury vaults, and has prevented any undue depletion of the circulating current. This policy, however, gives only a temporary relief. The receipts for taxes will now fall off. In September and October Mr. Boutwell will have very little currency to spare for the buying of bonds. And yet, in these months, the circulating current will be depleted by a drain of 50 or 60 millions of currency to move the crops in the interior, and especially in the West and South. How will the vacuum be filled up? How shall we avoid financial trouble in consequence of the depletion? Such are the questions which are every day forcing themselves more and more on thoughtful men. The CHRONICLE has several times of late discussed these questions and suggested a solution of the difficulty. Whatever course may eventually be adopted, one thing may be taken for granted that, under no circumstances, and as a remedy for no present trouble or threatening danger, will the country submit to have the currency inflated by any further issues of paper money, either in the form of greenbacks or of bank notes. In a pressing emergency, our people may be glad to see mischief prevented and wrong undone by such exceptionable proceedings as prosecutions for usury, but they will never cease to detest and prohibit further issues of paper money as a remedy worse than the evil it might be designed to cure.

STATISTICS OF COMMERCE AND NAVIGATION OF THE UNITED STATES.

The monthly report of the Bureau of Statistics, just published, exhibits the statistics of our commerce and navigation for the month of May, 1869, and for the eleven months ending May 31st, 1869, as compared with the eleven months ended May 31st, 1868. The following is a synopsis.

Months ended	Imports.	Exports.	Re-exports.
May 31, 1869.....	\$41,540,089	\$39,123,331	\$3,295,909
May 31, 1868.....	35,023,100	48,608,645	884,384
Eleven months ended May 31, 1869.....	397,944,357	377,511,072	22,200,704
Eleven months ended May 31, 1868.....	339,329,890	421,898,240	20,130,187

Proportions of the foregoing shipped in American and foreign vessels during the eleven months ended May 31st, 1869 :

American vessels.....	\$192,405,371	\$122,739,617	\$14,112,433
Foreign vessels.....	74,989,156	24,771,435	8,188,211
Total.....	\$397,394,357	\$377,511,072	\$22,300,704

From this it will be seen that 69.2 per cent of the imports, 67.5 per cent of the exports, and 36.5 per cent of the re-exports were carried in foreign vessels. The domestic exports are expressed in currency values, except merchandise from the Pacific ports and specie and bullion. The value of foreign commodities remaining in warehouse May 31, 1869, was \$56,105,192, against \$43,016,503 in May, 1868.

The statements are followed by summaries giving the totals of imports, exports, re-exports, warehouse transactions and tonnage by months since July, 1867.

Number and tonnage of American and foreign vessels entered and cleared in the foreign trade during the eleven months ended May 31, 1868 :

	Entered.		Cleared.	
	No.	Tons.	No.	Tons.
American vessels.....	8,933	3,552,741	9,153	3,779,064
Foreign vessels.....	14,111	3,684,233	14,534	4,043,778
Total.....	23,044	7,236,974	23,584	7,822,842

Eleven months ended May 31, 1869 :

	Entered.		Cleared.	
	No.	Tons.	No.	Tons.
American vessels.....	8,864	3,178,189	8,693	3,063,075
Foreign vessels.....	16,485	4,810,470	16,431	4,812,443
Total.....	25,349	7,988,659	25,125	7,875,518

The report contains an elaborate table, which exhibits the imports, exports and re-exports into and from each of the ninety-seven customs districts, reporting transactions during May, to and from each of the thirteen principal countries with which the United States have trade. From this table the following is obtained :

	Imports.	Exports.	Re-exports.
United Kingdom.....	\$13,076,533	\$18,272,544	\$4,000,255
Canada.....	2,221,653	2,032,219	59,837
Other British America.....	85,388	342,582	92,412
Spain.....	142,208	642,118	.....
Cuba and Porto Rico.....	10,919,113	1,175,276	1,137,578
Other West Indies.....	844,234	722,679	10,567
China and Japan.....	927,991	1,208,208	60,435
France.....	3,741,825	3,949,610	173,273
Hamburg and Bremen.....	1,971,347	4,113,096	99,806
Brazil.....	2,345,168	412,651	9,297

In addition to the foregoing the report contains comparative statements showing the number and tonnage of vessels—distinguishing their nationalities—which entered into and cleared from Great Britain in the five months ended May 31 of the respective years 1867, 1868 and 1869 ; the net receipts in Great Britain from stamp duties during each of the ten years ended May 31, from 1859 to 1868 inclusive ; exports from the ports of Quebec and Ontario for the fiscal years 1867 and 1868 ; exports to the United States and total exports from the several provinces in the fiscal year 1868 ; the value of imports, exports and the amount entered for home consumption ; and also the amount of duty collected at each port in Nova Scotia and New Brunswick. Summaries of the indirect, in transitu and transshipment trade are also given, with an anticipatory statement of the imports, exports and re-exports for June, 1869.

PUBLIC DEBT OF THE UNITED STATES.

STATEMENT COMPARING THE RETURNS FOR AUGUST 1 AND SEPTEMBER 1, 1869.

DEBT BEARING COIN INTEREST.

Character of issues.	Aug. 1.	Sept. 1.	Increase.	Decrease
6s, Bonds of Jan 1, '59 (15 yrs).....	\$31,000,000	\$21,000,000	\$.....	\$.....
6s, " " Jan. 1, '61 (10 yrs)	7,022,000	7,022,000	.....	.....
6s, B'ds of '61 (after Dec 31, '80).....	18,415,000	18,415,000	.....	.....
6s, " " (Oregon war) '81.....	945,000	945,000	.....	.....
6s, " of June 30, '61 (20 yrs).....	189,317,500	189,317,600	.....	.....
6s, " May 1, 61 (5-20's)	514,771,600	514,771,600	.....	.....
6s, " June '63 ('61)	750,000	75,000,000	.....	.....
6s, " Mar. 1, '64 (10-40's).....	194,587,300	194,587,300	.....	.....
6s, " Nov. 1, '64 (5-20's).....	129,443,800	129,443,300	.....	.....
6s, " July 1, '65 (5-20's).....	332,993,950	332,993,950	.....	.....
6s, " Nov. 1, '65 (5-20's).....	203,327,250	203,327,250	.....	.....
6s, " July 1, '67 (5-20's).....	379,583,850	379,583,450	5,000	.....
6s, " July 1, '68 (5-20's).....	42,539,350	42,539,350	.....	.....

DEBT BEARING LAWFUL MONEY INTEREST.

6s, Certificates (demand).....	\$50,810,000	\$52,120,000	.....	30,000
6s, Navy Pension Fund....	14,000,000	14,000,000	.....	.....

DEBT ON WHICH INTEREST HAS CEASED SINCE MATURITY.

6s, Bonds of 1862, '67, '68.....	\$95,700	\$72,850	.....	\$16,850
6s, Bonds (tax indem.) 1864.....	242,000	242,000	.....	.....
Treasury notes prior to 1857.....	103,615	103,615	.....	.....
6s, " " since 1857.....	358,222	358,332	.....	9,220
6s, Certificates of indebtedness	12,000	12,000	.....	.....
6s, Comp'd int. notes '67 & '68.....	2,785,910	2,714,930	.....	70,930
Temporary loan.....	184,110	183,110	.....	1,000
7-30s, 3 year notes ('67 & '68).....	993,500	955,550	.....	42,950

DEBT BEARING NO INTEREST.

Demand notes.....	\$116,719	\$114,914	.....	\$1,805
U. S. Legal Tender notes.....	356,000,000	356,000,000	.....	.....
Postal & fractional currency.....	31,030,300	30,711,800	.....	318,500
Gold Certificates.....	36,725,840	23,647,580	.....	13,078,260

RECAPITULATION.

Debt bearing coin interest.....	\$2,107,981,300	\$2,107,982,300	5,000	.....
6s, " bearing lawful money int.....	64,810,000	64,720,000	.....	30,000
6s, " on which int. has ceas'd.	4,790,037	4,648,487	.....	141,570
6s, " bearing no interest.....	423,872,859	410,474,293	.....	13,893,566
Aggregate principal debt	\$2,601,404,196	\$2,587,839,080	.....	13,565,136
Coin interest accrued.....	31,550,000	36,963,600	5,113,561	.....
Lawful money int. accrued.....	1,207,700	1,212,550	4,850	.....
Int. accrued on matured debt.....	660,784	638,640	.....	22,144
Aggregate debt & int. accu'd....	\$2,633,122,739	\$2,626,653,870	\$.....	8,468,869

Deduct amount in Treasury :

Coin belonging to Governm't.....	\$103,131,611	\$101,214,937	.....	\$1,916,624
Currency	23,331,654	12,144,487	.....	11,237,167
Sink'g fund in coin, b'ds & int.....	11,932,147	14,020,830	2,088,683	.....
Other U. S. coin int. bonds purchased and accrued interest thereon.....	15,110,590	23,311,065	8,200,475	.....
Total coin & cur'y in Treas'y....	\$153,556,002	\$150,691,369	\$.....	\$2,861,638
Debt less coin and currency.....	\$2,481,566,737	\$2,475,962,501	.....	\$5,604,236

BONDS ISSUED TO UNION PACIFIC RAILROAD AND BRANCHES.

(Under acts of July 1, 1862, and July 3, 1864: principal payable in 30 years after date, and interest semi-annually, in January and July, both in lawful money.)

6s, Union Pacific Railroad.....	\$26,633,000	\$26,633,000	.....	.....
6s, Union Pacific (E.D.) R.R.	6,303,000	6,303,000	.....	.....
6s, Sioux City & Pacific R.R.....	1,628,320	1,628,320	.....	.....
6s, Central Pacific R.R.....	24,371,000	24,371,000	.....	.....
6s, Central Branch (Kansas).....	1,600,000	1,600,000	.....	.....
6s, Western Pacific R.R.....	320,000	320,000	.....	.....
Total amount issued....	\$60,860,320	\$60,860,320	.....	.....

currency and to put the *tourniquet* on the money market produced so much mischief to general business and had of such magnitude and cruelty on our mercantile and that some prompt remedy had to be applied. This action under these old usury laws was tried, and this result has secured a popular approval for which we have never had before, and as every effort has failed heretofore, so there is now the efforts would fail even if supported by the punishments inflicted on persons who would have been objectionable for them is the notorious fact that lock up money have not been that as frequently happens in proceeded against are almost over, the law has slumbered; tion we believe has been and moderate forbearance exactly the great principle rather than the severe.

There is no necessity in these proceedings govern the rate the great laws elsewhere. This is inapplicable to

thousands of a tight remedy As the likely conf

In addition to the foregoing the report contains comparative statements showing the number and tonnage of vessels—distinguishing their nationalities—which entered into and cleared from Great Britain in the five months ended May 31 of the respective years 1867, 1868 and 1869; the net receipts in Great Britain from stamp duties during each of the ten years ended May 31, from 1859 to 1868 inclusive; exports from the ports of Quebec and Ontario for the fiscal years 1867 and 1868; exports to the United States and total exports from the several provinces in the fiscal year 1868; the value of imports, exports and the amount entered for home consumption; and also the amount of duty collected at each port in Nova Scotia and New Brunswick. Summaries of the indirect trade in transitu and transshipment trade are also given, with an anticipatory statement of the imports, exports and re-exports for June, 1869.

Cleared	
No	Tons
8,683	3,053,173
16,432	4,812,463
25,125	7,865,636

The table, which exhibits the imports, exports of each of the ninety-seven customs districts, reports to and from each of the thirteen principal countries States have trade. From this table the following is

	Imports.	Exports.	Re-exports.
.....	\$13,076,533	\$18,272,341	\$4,023,545
.....	2,221,653	2,032,219	5,955,821
.....	85,388	342,582	.....
.....	142,208	642,118	.....
..... to Rio de Janeiro.....	10,919,113	1,175,276	1,157,276
..... Indies.....	844,224	722,679	10,567
..... Japan.....	927,991	1,208,208	6,161
.....	2,741,825	3,949,610	173,273
..... Hamburg and Bremen.....	1,971,347	4,113,096	89,256
.....	2,345,168	412,651	9,257

DEBT OF THE UNITED STATES.

RETURNS FOR AUGUST 1 AND SEPTEMBER 1, 1869.

Bearing coin interest.

Aug. 1.	Sept. 1.	Increase.	Decrease
\$20,000,000	\$20,000,000	\$.....	\$.....
7,022,000	7,022,000	.....	.....
18,415,000	18,415,000	.....	.....
645,000	645,000	.....	.....
500	189,817 60	.....	.....
40	514,771,600	.....	.....
	75,000,000	.....	.....
	194,547,300	.....	.....
	10,448,300	.....	.....
	298,950	.....	.....
	250	.....	.....
	50	5,000	.....

221

MATURITY.

	\$74,850	.....	\$16,850
	242,000	.....	.....
	103,615	.....	.....
	858 832	.....	9,820
	12,000	.....	.....
2,785,910	2,714,990	.....	70,920
184,110	193,110	.....	1,000
998,500	955,550	.....	42,950

BEARING NO INTEREST.

.....	\$116,719	\$114,914	.....	\$1,805
.....	356,000,000	356,000,000	.....	.....
.....	81,030,300	80,711,800	.....	318,500
.....	86,725,840	23,647,680	.....	13,078,260

RECAPITULATION.

..... interest.....	\$2,107,931,300	\$2,107,936,300	5,000	.....
..... lawful money int.....	64,810,000	64,700,000	.....	30,000
..... which int. has ceas'd.....	4,790,057	4,648,487	.....	141,570
..... bearing no interest.....	423,872,859	410,474,293	.....	13,398,566
Aggregate principal debt.....	\$2,601,404,216	\$2,587,839,080	.....	13,565,136
..... interest accrued.....	81,550,000	86,963,600	5,113,561	.....
..... lawful money int. accrued.....	1,207,700	1,212,550	4,850	.....
..... int. accrued on matured debt.....	660,784	638,640	.....	22,144
Aggregate debt & int. accru'd....	\$2,683,122,739	\$2,626,653,870	\$.....	8,468,869

Deduct amount in Treasury:

Coin belonging to Governm't.....	\$103,131,611	\$101,214,997	.....	\$1,916,624
Currency.....	23,331,654	12,144,487	.....	11,237,167
Sink'g fund in coin, b'ds & int.....	11,932,147	14,020,830	2,088,683	.....
Other U. S. coin int. bonds purchased and accrued interest thereon.....	15,110,590	23,811,065	8,200,475	.....
Total coin & cur'y in Treas'y....	\$153,556,002	\$150,691,369	\$.....	\$2,861,688
Debt less coin and currency.....	\$2,481,566,737	\$2,475,962,501	.....	\$5,604,236

BONDS ISSUED TO UNION PACIFIC RAILROAD AND BRANCHES.

(Under acts of July 1, 1862, and July 2, 1864: principal payable in 30 years after date, and interest semi-annually, in January and July, both in lawful money.)

6a, Union Pacific Railroad.....	\$26,633,000	\$26,638,000	.....	.....
6a, Union Pacific (E.D.) R.R.....	6,803,000	6,803,000	.....	.....
6a, Sioux City & Pacific R.R.....	1,628,820	1,628,820	.....	.....
6a, Central Pacific R.R.....	24,371,000	24,371,000	.....	.....
6a, Central Branch (Kansas).....	1,600,000	1,600,000	.....	.....
6a, Western Pacific R.R.....	320,000	320,000	.....	.....
Total amount issued....	\$60,860,820	\$60,860,820	.....	.....

Being an increase in the state debt, within 15 months of \$7,547,093 17. This unfavorable exhibit has occasioned considerable disturbance among the holders of the bonds of the State here, upon the reports that a party in favor of repudiating the new bonds was forming in the State upon the theory that the State Constitution forbids the sale of the bonds of the State at less than par, while the greater portion of these new bonds have been sold at from 60@70 per cent by the railroads in order to raise money. The present condition of the State is lamentable, but any talk of repudiation in any form will no doubt be voted down by the citizens, who have struggled so manfully to sustain the credit of the State in the past; and holders of the bonds, who bought them knowing that the faith of the State was pledged for their payment, will no doubt ultimately be paid in full.

RAILROAD ITEMS.

THE TEHUANTEPEC RAILWAY.—On the 6th of October, 1867, a grant or concession for 70 years, to open and operate a railway between the Gulf of Mexico and the Pacific Ocean was made by the Mexican Government, and fully confirmed and approved in December, 1868, by the Mexican Congress, and in January, 1869, by the President. This grant, after due assignment according to law, is owned by the Tehuantepec Railway Company, of which Mr. Simon Stevens is the President. Messrs. D. Appleton & Co. have recently published a handsome little volume of some 250 pages, giving the history of the grant from the Mexican Government, and its possession by the present company; a full description of the characteristics of the proposed route; an estimate by Mr. Julius Adams, Civil Engineer, of the total cost of the road, &c.; a historical sketch of the country through which it passes; and the statistics of commerce and travel which show the traffic that may reasonably be expected on the rail road when completed. The proposed route is 162 miles long, and the entire cost of road, equipments, building, &c., is estimated at \$8,823,000. In our limited space it is impossible to give a full review of this interesting and important volume, and we recommend all our readers who may desire to obtain information, of what seems in all probability to be the next route across the Continent to procure the book from Mr. Simon Stevens, President of the Company, 174 Chambers street.

PORT HURON AND CHICAGO RAILROAD LINE.—The work on this line is being pushed forward eastward from Battle Creek, and westward from Port Huron, and iron is constantly going forward—more than 2,500 tons having been shipped during the past month. Engines and cars are already on the line, and others are now being manufactured. At the present rate of progress the road will be complete from Port Huron to Flint (65 miles), and in operation in season for the fall business this year, and through to Battle Creek before January 1st.

Westward of this point the road is ready for the superstructure and track laying will follow in due course.

This line comprises four roads, viz., the Port Huron and Lake Michigan Railroad, the Peninsular Railway of Michigan, and the Peninsular Railroads of Indiana and Illinois, running from Chicago to Port Huron, and there connecting with both the Grand Trunk and Great Western Railways of Canada, for Buffalo or Suspension Bridge; thence over the New York Central or Erie road, making the shortest of the through routes between New York and Chicago.

In addition to its through travel, the local business of the line must be very large. The western part of the route is through an agricultural district as rich as any in the West, and it passes many large and prosperous towns. The eastern portion will transport the lime, salt and gypsum from the Grand River and Saginaw, and it brings within reach of a market the vast forests of pine and hard wood timber which exist in this part of Central and Northeastern Michigan.

Better than all, the line is in the hands of shrewd and practical men, who know how to push through such an enterprise, and who, knowing how, are determined to do it.
—*Railroad Journal.*

THE MEMPHIS, EL PASO AND PACIFIC RAILROAD.—This important line of railway is now in progress in the State of Texas, and is destined to form a part of the great through line of road between Norfolk on the Atlantic coast and San Diego on the Pacific. In addition to the portion of the road from Norfolk to the Mississippi River which has long been in operation, 150 miles of the Memphis, El Paso and Pacific Road in Texas are nearly completed, and contracts are about to be made for the second section of 150 miles, with the requirement that it shall be completed by October 1, 1870.

A great injustice was lately done this company and General Fremont, its agent in Paris, by statements in the *N. Y. Times* to the effect that General Fremont had made false representations as to the condition and property of the company, in a prospectus issued in Paris, and had thus brought its bonds into disrepute. The real facts of the case, however, appear in a letter of Mr. Edward Gilbert, counsel for the company, which was published in the *Times* to correct the erroneous impressions given to the public by its previous article. Mr. Gilbert says:

Your editorial notice of the 3d inst., respecting General Fremont and the Memphis, El Paso and Pacific Railroad Company in Paris does both the General and Company injustice, by making them responsible, impliedly at least, for the publication of the prospectus referred to.

Neither the General nor the officers of the Company had anything to do with its publication.

The statements in that prospectus were doubtless attributable to a want of distinction in the minds of its authors in France between the action of our General Government and that of one of the States.

The Memphis, El Paso and Pacific Railroad Company was incorporated by the State of Texas to build a railroad through that State upon or near the thirty-second parallel, which road it is now engaged in constructing. It has a land grant from the State upon which its bonds are based. These bonds have been sold in Europe. They are in the ordinary form of coupon bonds, and show upon their face how they are secured, and what obligations the Company assumes. No construction bonds have ever been offered for sale.

The representations made by the Company, and by General Fremont in its behalf, are in writing, and are scrupulously and definitely correct in every particular.

The negotiations abroad were committed to persons versed in that kind of business, and residing there, and have been attended with such results that about one half of the entire issue of \$10,000,000 of land bonds have been sold.

The proceeds are being applied as needed in the construction and equipment of the road, which, from the methodical and economical organization and management of the Company, promises to be built and put in operation with more despatch and less waste than any other railroad in the United States.

The company is apparently sure to obtain the right of way to the Pacific at the next session of Congress, and may probably obtain a grant of government lands (in addition to the grant already made by the State of Texas) whenever application for such a grant is made. It is the clearest policy in the world for the government to grant lands on the line of a new railroad through its Territories.

LAKE SHORE & MICHIGAN SOUTHERN AND TOLEDO, WABASH AND WESTERN CONSOLIDATION.—The *New York Tribune* says of this: The consolidation of the Lake Shore & Michigan Southern Road has been agreed upon and attracts general interest. By this arrangement the Michigan Southern extends from Buffalo to the Mississippi River, and control, including branch lines, 1,600 miles of road. The basis of consolidation is made at 120 for Michigan Southern and 100 for Toledo, Wabash & Western. The stock of the Toledo & Wabash Road does not receive any dividends this year, but after the first of January, 1870, will receive the same amount that is now paid on the Michigan Southern. The managers of the property claim that without any increase of earnings the property will pay 8 per cent on its new capital after providing for the interest and sinking fund accounts. The stock and bonded debt of the consolidated company will then stand as follows:

Present stock of the Lake Shore & Michigan Southern	\$35,000,000
Twenty per cent to be added	7,000,000
Toledo, Wabash & Western stock	8,000,000
Bonded debt of the Lake Shore & Michigan Southern	20,000,000
Bonded debt of Toledo, Wabash & Western	15,000,000
Total	\$85,000,000

The consolidated company will have on hand a large amount of assets transferred by the Cleveland, Painesville & Ashtabula Railroad Company, the Cleveland & Toledo and the Lake Shore & Michigan Southern Railway Co.; also, about \$500,000 cash assets from the Buffalo & Erie. The consolidation will go into effect as soon as it has received the assent of the stockholders. Notice was given at the Stock Exchange

this morning by the Lake Shore & Michigan Southern Railroad Company that in thirty days they will issue \$1,200,000 new stock; this stock is for the additional equipment necessary for the new consolidated company, and is included in the \$85,000,000 stock which the company contributes to the new company.

ALBANY AND SUSQUEHANNA RAILROAD BONDS.—Mr. Ramsey, President of this road, in a letter to the *New York Times*, gives the following history of the negotiations in regard to bonds and stock:

"There has been no attempt on my part, or Mr. Phelps', the Secretary and Treasurer, to prevent the transfer of stock, nor is there any truth in the statement that I issued 3,000 shares of new stock with reference to the coming election.

The issue of stock, and which has been the pretext for this raid, was in pursuance of a contract made more than a year ago, and with the unanimous approval of the Board of Directors, as follows: There had been about six thousand shares of stock subscribed, upon which one or more installments of ten per cent paid, and subsequently forfeited for non-payment of the balance. It was suggested that other stock might be issued in its place, and a portion used in the negotiation of the second bonds of the company, and with what had been received and would be in the sale, would make it nearly or quite full paid stock. Accordingly the first issue of this stock was made by Azro Chase (one of the parties now acting with Fisk & Co.), who took \$50,000 of the second bonds of the company, with an option to take \$10,000 stock at 20, that being the then market price for full paid stock. The stock was taken by Chase and paid for at that price. After this and in the spring of 1868, the company having failed to obtain an appropriation from the Legislature, relied upon to complete the road, an effort was made to negotiate or obtain a loan upon the second bonds of the company to obtain money for that purpose. Negotiations were opened with New York parties, where I found it was known that the company had the right to issue stock in place of the forfeited stock aforesaid, and had done so to Chase. A proposition was finally made by David Groesbeck and others to loan the company for eighteen months, 70 per cent or \$560,000, on \$810,000 of the second bonds of the company, with the privilege or option of taking 20 per cent or 2,400 shares of said stock at 25 (being only one-half the amount in proportion to what Chase had, and at 5 cents more price), and in case the stock was taken at that, the parties were to take the bonds at 80, within one year, if not, the company were to have six months further time to pay the loan and to sell or hypothecate the bonds and stock for that purpose. This proposition was accepted and the parties subsequently elected to take the bonds and the stock at price agreed upon, and have fully paid for the same.

ST. LOUIS AND IRON MOUNTAIN RAILROAD.—The completion of the above road now makes a very important through route between St. Louis and the Southern States East of the Mississippi. The *Western Railroad Gazette* says:

By this new route the distances from St. Louis to the following towns of the South and Southeast are as follows:

	Miles.		Miles.
Belmont.....	195	Nashville.....	377
Jackson, Tenn.	281	Chattanooga (via Corinth).....	554
Memphis.....	347	Chattanooga (via Nashville).....	526
Jackson, Miss.....	540	Atlanta.....	666
Vicksburg.....	586	Macon.....	769
New Orleans.....	728	Augusta.....	837
Mobile.....	667	Savannah.....	963

A transfer boat has been obtained, and river approaches prepared at Columbus and Belmont, so that passenger and freight cars can be taken over the river as they are at Detroit and St. Louis, and were until lately at Dubuque, Burlington and Quincy. Only one railroad, the Mobile and Ohio, reaches Columbus, but this one within a short distance connects with others to Nashville, Memphis and New Orleans, which by their connections make nearly every railroad in the South, east of the Mississippi river, accessible to cars from St. Louis.

PENNSYLVANIA.—The Allegheny Valley Railroad is said to traverse one of the most picturesque regions of Pennsylvania. The railroad bridge, now in process of erection at Venango City, connecting the Oil Creek and Allegheny with the Valley

line, will be finished toward the close of the fall months. The Keystone Bridge Company are the builders. The structure will have three spans of 120 feet each. The estimated cost is \$100,000. The requisite legislation authorizing the extension of the road to the west branch of the Susquehanna having been obtained, steps have been taken for the early and vigorous prosecution of the work. The surveys of the route are nearly completed, and at several important points ground has been broken for the road bed. The projected line is located along the valleys of Mahoning Creek and Bennett's branch, and connects with the Philadelphia and Erie road at Emporium. The grades will be easy, not exceeding twenty feet to the mile. The material aid for the extension has been obtained upon terms highly advantageous to the State. The Commonwealth receives for \$6,500,000 worth of bonds for the Philadelphia and Erie road, not payable till 1912, an equal amount of the bonds of the Allegheny Valley road guaranteed by the Pennsylvania, Northern Central and Philadelphia and Erie Companies, payable after 1875, at the rate of \$100,000 per annum.—*Western Railroad Gazette.*

CONNECTICUT & PASSUMPSIC R.R.—The receipts from operations for the fiscal years ending May 31 1868 and 1869, were as follows :

	1868	1869.
From passengers	\$170,172 10	\$177,346 47
From freights.....	802,412 55	830 519 64
From mails	11,160 09	11,117 00
From express	4,950 00	6,000 00
From rents.....	4,107 96	4 333 97
Total.....	\$481 808 70	\$529,347 08
Expenses	\$319,894 46	\$337,162 95
Net earnings	\$171,914 24	\$192,184 13

A comparison of the earnings of the past with those of the preceding year shows an increase of \$47,538 88 ; with an increase in expenses of \$17,268 49—making the increase in net earnings, \$20,269 89.

OGDENSBURG AND LAKE CHAMPLAIN RAILROAD.—The earnings of this road for the years ending March 31, 1868 and 1869, were as follows :

	1868.	1869.
From freight	\$701,462 28	\$849,474 60
" passengers	178,227 04	171,883 99
" mail	10,710 00	10 710 00
" express	4,999 91	5,000 00
" rents	7,995 52	8,153 11
" use of engines	585 00	.....
Total.....	\$898,980 70	\$1,015,221 70
Expenses	\$597,253 18	\$628,382 46
Net earnings.....	\$301,742 52	\$386,839 24

From which has been paid—

One dividend of three per cent on the common stock	\$92,810 00	
Two dividends, four per cent each, on the preferred stock.....	95,104 00	
One year's interest on first mortgage bonds.....	65,491 54	
One year's interest on equipment bonds	21,000 00	
Revenue tax on dividends and coupons.....	10,570 79	
Bridge timber on hand.....	7,413 59	
New locomotive.....	12,032 89	
		\$306,942 22
Net earnings April 1, 1869		\$209,922 55
Net earnings on hand April 1, 1868.....		180,891 81
Premium on preferred stock sold.....		25,134 22
Total.....		\$515,864 77

Compared with the previous year, the gross earnings show an increase of \$146,241 ; with an increase in expenses of \$91,144 28, making the increase in net earnings \$55,096 72. The report says :

The large expenditure upon the road bed and track, which it was deemed judicious to make, has added about fifty thousand dollars to the expenses ; a similar expenditure will be necessary the ensuing year, after which the track will probably require only the ordinary renewals.

The \$800,000 of equipment bonds issued a year ago have been invested in rolling stock, by the building and purchase of 327 freight cars, 8 passenger cars, and 4 locomotives.

The requirements of the road are such that the board have decided to make a still further issue of bonds to the amount of \$200,000, to procure additional rolling stock, for all of which we shall have ample use; and with this addition we shall have one of the most completely equipped roads in the country.

The wisdom of the expenditures already made in building the elevator and furnishing rolling stock, is clearly demonstrated.

Since we took possession of the road in August, 1865, we have paid to the stockholders—

Nine per cent dividend and tax	\$252,000 00
Dividends on preferred stock and tax	157,900 00
Interest on 1st mortgage bonds and tax	293,000 00
Interest on equipment bonds and tax	25,000 00
Paid for new bridges	50,000 00
Paid on account of the elevator	75,000 00
Paid for new iron and ties	400,000 00
Surplus of profits on hand	\$25,722 55
Total	\$1,472,622 55

This amount has actually been paid out of the earnings.
There remains outstanding of first mortgage bonds \$605,700; they mature in July next, and the money is in the Treasury to pay them.
\$3,040,900 second mortgage bonds have been converted into stock, leaving outstanding \$36,100.
\$1,994,000 preferred stock has been issued to provide for the payment of the first mortgage bonds and equipment purposes, and the accounts closed; as will be seen from the financial statement, \$28,134 22 has been received for premiums on the same.

TRIAL BALANCE MARCH 31, 1869.

Cost of road	\$3,071,900 00	Capital stock	\$3,040,900 00
Equipment purchased by loan of 1868	800,000 00	Preferred stock	1,994,000 00
Bills receivable	15,210 22	First mortgage bonds	605,700 00
Northern Transportation Co stock	80,000 00	Second mortgage bonds	36,100 00
Material on hand	78,569 89	Bills payable	60,000 00
Fuel	72,294 68	Coupons due	4,111 25
Real estate, wood lots, &c.	45,357 15	Unpaid dividends	4,595 00
Sundry accounts	47,533 03	Equipment bonds of January, 1868	300,000 00
Cash and due from other roads	618,400 57	Sundry accounts	18,977 74
Total	\$6,274,209 54	Net earnings	\$28,922 55
		Total	\$5,774,309 54

—The Indianapolis, Bloomington and Western Railway has been formed by the consolidation of the Indianapolis and Danville, and the Danville, Urbana, Bloomington and Pekin roads. This consolidation was completed on the 20th inst. by a vote of the stockholders at Urbana. A meeting for the election of officers will be held in Urbana September 8.

The present condition of the road is described as follows:
"Two hundred and four miles of the road are completed; from Indianapolis to Crawfordsville, forty-two miles, and so much work has been done between Danville and Pekin that all the track, except thirty miles, will be ready for the iron in three weeks. The managers will push the work rapidly, and intend to have the cars running through before a year."

NEW YORK CITY RAILROADS.—The following are the returns of gross receipts made by the following companies during the month of July, 1869:

Second Avenue	\$52,497	Tenth Ave C P, N & E River	\$64,749
Third Avenue	121,464	42d street and Grand street	58,329
N Y, Harlem & 4th Ave	91,021	Bleecker st & Fulton ferry	67,723
Sixth Avenue	54,502	Dry Dock, E 8th wa) & battery	21,156
Seventh Avenue	55,559	Hudson River	182,403
Eighth Avenue	70,762	New York & New Haven	
Ninth Avenue	10,491	Total	\$971,493

EARNINGS OF THE BROOKLYN CITY RAILROADS.—The following are the receipts of the different railroad companies in Brooklyn for the month ending July 15th, 1869 :

Van Brunt et & Erie Basin.....	\$2,276	Grand street & Newtown.....	\$8,139
B'klyn, Bath & Coney Island.....	7,926	Southold :	23,200
Coney Island and Brooklyn.....	21,874	Brooklyn City	111,922
Sackett, Hoyt & Bergen sts.....	1,749	B'klyn City & Hunter's Point.....	18,840
Brooklyn City & Newtown.....	14,105	Brooklyn & Rockaway.	7,504
Pushwick Avenue.....	7,978	Coney Island & Shell Road.....	474
Grand St Ferry & Middle Vile.....	8,318	Broadway.....	13,200

INTERNAL REVENUE DECISION.—*Payment of Taxes by Corporations.*—The Commissioner of Internal Revenue has made the following decision :

WASHINGTON, August 10, 1869.

"It has been reported to this office that railroad companies, canal companies, banks, insurance companies and other corporations required by law to withhold and pay over to the United States a tax of five per centum upon the dividends, interest coupons representing interest, surplus and contingent funds, profits used for construction, &c., are accustomed to treat the amounts thus withheld and paid as an expense of business, and to deduct them in all returns where expenses of business are deductible.

"This practice is erroneous and should not be allowed. The amounts thus paid are not an expense of business. No such returns should be accepted until the assessor is convinced no deduction of this kind has been made.

"Former returns should be carefully re examined. In all cases where there has been such a deduction within the fifteen months immediately preceding its discovery, there should be a re-assessment.

"O. DELANO, Commissioner."

—The Atlantic and Gulf Railroad, Central Railroad and Banking Company, the Southwestern and other railroads, have joined in a bill of complaint, and applied for an injunction against the Brunswick and Albany Railroad and N. L. Angier, State Treasurer. The object is to arrest the construction of the Albany and Brunswick Railroad, and to restrain the State Treasurer from indorsing its bonds, on the ground that the road would infringe the vested rights and privileges of the complainants, and that the State aid would be unconstitutional, etc. Judge Schley has granted the injunction.—*Memphis Avalanche.*

—A bargain has been made with the North Missouri Railroad Company, by which that company agrees to build the St. Louis and Cedar Rapids Railroad from the present terminus of the North Missouri at Bloomfield, near the State Line, to Ottumwa, by the 1st of December next. The distance is about eighteen miles.

—In the case of N. A. Cowdrey and others vs. the Galveston and Houston Railroad and others, Justice Swayne of the Supreme Court at Washington last week made a decree holding the railroad, &c., of the old company subject to the mortgages, and dismissing that part of the complaint which claimed the property of the successor company, and an individual liability of the defendants. Both parties take an appeal to the Supreme Court. Mr. Cowdrey, representing the bondholders, is placed in possession of the railroad until the appeals are determined, he giving security to account for the rents and profits while in possession.

LEASE OF THE PITTSBURG, FORT WAYNE AND CHICAGO RAILWAY.—This important line of road has been leased, in perpetuity, to the Pennsylvania Railroad Company at an annual rental of \$1,380,000, to be paid to the stockholders of the former, over and above all other claims or charges, including the government dividend tax on the rental to be paid. This sum is 12 per cent upon the share capital of the Fort Wayne Company, and equals the interest on a capitalized sum of \$19,714,285—a sum \$8,214,285 greater than the share capital of the Company at the date of the lease. By its terms its share capital is to be increased by a like amount, upon which, in perpetuity, and free of government tax, dividends of 4 per cent, in quarterly payments of 1½ per cent, are to be forever paid. The fulfillment of the terms of this lease is guaranteed not only by the net earnings of the leased road, which for the past five years have been \$3,600,000 in excess of the rental that would have been

called for had the lease been in operation, but by those of the Pennsylvania Railroad Company, which are twice greater, over and above all changes upon it. A security has thus been created of unexampled excellence, and one which will be sought for as an investment for trust funds—an investment bearing a high rate of interest, and one in which no change will ever be required, and for which every possible condition of safety is supplied. The books of the Company are now closed, so as to call in the old and issue the new stock.

LAKE SHORE AND MICHIGAN SOUTHERN.—The consolidation is now complete, and one company, the Lake Shore and Michigan Southern Railway Company, owns a line of railroad extending from Chicago to Buffalo. The road now owned by the company consists of the following lines and branches:

	Miles.
Chicago to Buffalo, via Air Line.....	329
Toledo to Elkhart, via Adrian and White Pigeon... ..	142
Jackson Branch.....	44½
Adrian to Monroe.....	37½
Toledo to Detroit.....	50
White Pigeon to Constantine (ceased).....	4
Branch to Graytown, from Junction 8 miles east of Toledo.....	9
Elyria to Sandusky.....	35
Total.....	556

CENTRAL BRANCH OF THE UNION PACIFIC.—This road is completed to Waterville, one hundred miles west. There it was to connect with the Kansas Pacific, but that road, instead of turning northward to Fort Kearney, as originally contemplated, continues due west to Denver, leaving the Atchison line with no outlet. The Atchison road received a subsidy of \$16,000 per mile; and its managers claim that as they have fulfilled their part of the contract, the government is bound in good faith to give them a Western connection by continuing the endowment for 150 miles farther, to Fort Kearney, where they can connect with the Union Pacific. They allege that the road is so well built that not even Kansas freshets have ever destroyed a single culvert.

The local business is already very large, and will ultimately become very heavy. The company has just put 250,000 acres of land into the market, at from \$2.50 to \$10.00 an acre, payable in instalments running through ten years.—*Chicago Railway Review.*

—Telegrams from Buffalo and Cleveland announce that the consolidation of the Lake Shore Roads from Buffalo to Chicago has been ratified, on the bases of the par value of all the Stocks, by the general meeting of the Buffalo and Erie Stockholders at Buffalo, and of the Lake Shore and Michigan Southern at Cleveland. The style of the Consolidated Company is to be the Lake Shore and Michigan Southern Railway.

TENNESSEE RAILROADS.—KNOXVILLE, Tenn., Aug. 23.—Colonel Folsom, Quartermaster United States Army, is here under orders from the Government to take possession as Receiver of the East Tennessee and Georgia and East Tennessee and Virginia Railroad Companies, for an indebtedness of \$600,000 due the Government for engines and rolling stock purchased at the close of the war.

COMMERCIAL CHRONICLE AND REVIEW

Monetary Affairs—Rates of Loans and Discounts—Bonds sold at New York Stock Exchange Board—Price of Government Securities at New York—Course of Consols and American Securities at New York—Opening, Highest, Lowest and Closing Prices at the New York Stock Exchange—General Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.

August has been characterised by comparative steadiness in financial circles. Among the banks, there has been a conservative feeling, inspired by their limited resources and the prospect of the fall demand for money for crop purposes; but,

at the close of the month, this feature was less conspicuous than at the commencement. During the first two weeks, considerable amounts of currency were sent to the West, mainly for moving the crops of the Southwest; but, during the latter half of the month, this outflow very sensibly diminished. The operations of the Sub-Treasury have been in favor of the market. About \$12,000,000 have been disbursed in the purchase of bonds, while only \$2,700,000 have been taken in through the sales of gold, so that these operations have placed about \$9,300,000 of currency in the hands of the banks. Notwithstanding the gain from this source, the associated banks held on Aug. 28th only \$52,800,000 of legal tenders, against \$56,100,000 on the 31st of July. This decrease of legal tenders, in the face of large payments by the Treasury, is due partly to the fact that the Government has been receiving large amounts on account of internal revenue, and partly to the Westward outflow of currency above alluded to. The loss of currency, however, is much beyond the amount indicated in the decrease of legal tenders in the banks, for the banks have naturally used national currency as freely as possible in making their remittances; so that while at the beginning of the month, that form of circulation was so abundant as to be loaned temporarily free of interest, at the close it was comparatively scarce. The banks, in anticipation of the withdrawal of Western balances, later in the season, have shown a marked preference for demand loans, and the rate of interest on good collaterals has consequently been 5@7 per cent, while discounts of prime paper have ranged mostly between 9 and 12 per cent.

At the close of the month, there was less disposition to calculate upon any marked stringency during the fall months. It was generally regarded as certain that the Secretary of the Treasury will show the utmost possible consideration for the monetary convenience of the public, during the period of moving of the crops, and that his late policy of buying bonds freely and selling gold sparingly will be continued until the meeting of Congress. This expectation has produced a more settled feeling, and it has afforded a basis of calculation for operation during the next three months. The following comparison shows the condition of the associated banks on the 28th of August, 1869, and the 29th of August, 1868:

CONDITION OF ASSOCIATED BANKS AUGUST 28, 1869, AND AUGUST 29, 1868.

	August 28, 1869.	August 29, 1868.	Changes.
Loans and discounts.....	\$261,012,000	\$271,700,000	Dec.. \$10,769,000
Specie.....	19,469,000	16,947,000	Inc... 2,522,000
Circulation.....	38,909,000	34,112,000	Dec.. 4,797,000
Deposits.....	188,734,000	210,834,000	Dec.. 21,580,000
Legal tenders.....	52,732,000	67,757,000	Dec.. 14,965,000

The speculation in railroad stocks has been languid and without any special bent. The effort early in the month to depress prices, upon an expectation of stringency in money, was early discontinued, from an impression that the movement had been undertaken too early, and the market has since drifted along without any special effort to control its direction. There is no disposition to buy, so long as it is probable that before long the money market may be within the control of speculators, and none to sell, when the present condition of the loan market is against "short" sales. The transactions at the Exchange have been only 333,499 shares, against 1,151,003 for the same month of last year.

STOCKS SOLD AT THE NEW YORK STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	Increase.	Dec.
Bank shares ..	2,332	2,343	31	.....
Railroad " ..	1,003,925	281,873	.....	722,053
Coal " ..	2,421	2,815	.....	108
Mining " ..	6,700	2,650	.....	4,050
Improv't " ..	7,200	1,800	.....	5,400
Telegraph " ..	23,680	7,235	.....	16,445
Steamship " ..	33,957	15,365	.....	18,592
Expr'ss &c " ..	70,808	19,499	.....	51,309
Total—August ..	1,151,003	333,099	.....	817,904
Since January 1 ..	12,813,889	8,626,431	.....	4,187,458

The course of speculation, in Wall street, has been remarkably dull. The month opened with a general disposition to discount the probabilities of an unusually active money market later in the season; and there was a consequent extensive selling out of securities, attended with a general decline in prices. Even government bonds sympathized with this tendency. Large amounts had been held on speculation, in expectation of a rise growing out of the purchases of the Treasury; and under the gloomy tone of the street, these were hastily spilt upon the market, with the result of a decline of $2\frac{1}{2}$ @ 4 per cent. This supply, however, was soon absorbed by the government, whose purchases for the month aggregate \$10,000,000; and as very few bonds came out of the hands of bona fide investors, the market generally stiffened toward the close, being strengthened by an expectation that Secretary Boutwell would continue his purchases at the rate of about \$10,000,000 per month, until the meeting of Congress. At the close price were $1@1\frac{1}{2}$ below the opening quotations. The transactions, have been very limited, the total sales at the board having been only \$13,398,850, against \$29,432,650, for the same period of 1868.

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	Inc.	Dec.
U. S. bonds ..	\$29,432,650	\$13,398,850	\$	\$16,033,800
U. S. notes ..	1,750	.....	.....	1,750
St'e & city b'ds ..	8,905,900	5,094,000	.....	3,811,900
Company b'ds ..	959,000	1,124,000	134,500	.....
Total—August ..	\$33,629,800	\$19,616,850	\$	\$19,845,450
Since January 1 ..	248,770,120	234,614,709	.....	14,155,411

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of August as represented by the latest sale officially reported, are shown in the following statement :

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	—6's, 1881.—		—6's, (5-20 yrs.) Coupon—					—5's, 10-40	
	Comp.	Reg.	1862.	1864	1865.	new.	'67.	'68.	C'pa.
2.....	124 $\frac{1}{2}$	.....	125 $\frac{1}{2}$	123 $\frac{1}{2}$	123 $\frac{1}{2}$	122 $\frac{1}{2}$	121 $\frac{1}{2}$	122 $\frac{1}{2}$	116
3.....	124 $\frac{1}{2}$	124 $\frac{1}{2}$	125	123 $\frac{1}{2}$	123 $\frac{1}{2}$	121 $\frac{1}{2}$	121 $\frac{1}{2}$	.....	116
4.....	124 $\frac{1}{2}$	124 $\frac{1}{2}$	125 $\frac{1}{2}$	123 $\frac{1}{2}$	124	122 $\frac{1}{2}$	121 $\frac{1}{2}$	122 $\frac{1}{2}$	116
5.....	124 $\frac{1}{2}$	.....	125 $\frac{1}{2}$	124	124 $\frac{1}{2}$	122 $\frac{1}{2}$	121 $\frac{1}{2}$	.....	116 $\frac{1}{2}$
6.....	125	.....	125	.....	123 $\frac{1}{2}$	122 $\frac{1}{2}$	122 $\frac{1}{2}$	.....	115 $\frac{1}{2}$
7.....	124 $\frac{1}{2}$	125	125	123 $\frac{1}{2}$	.....	.....	.....	122 $\frac{1}{2}$	115 $\frac{1}{2}$
9.....	125	.....	125	122 $\frac{1}{2}$	.....	.....	122 $\frac{1}{2}$	.....	.....
10.....	125	.....	124 $\frac{1}{2}$	123 $\frac{1}{2}$	123 $\frac{1}{2}$	.....	121 $\frac{1}{2}$	.....	.....
11.....	.....	.....	124 $\frac{1}{2}$	123	123	121 $\frac{1}{2}$	121 $\frac{1}{2}$	.....	115
12.....	122 $\frac{1}{2}$	.....	123 $\frac{1}{2}$	122 $\frac{1}{2}$	122 $\frac{1}{2}$	121 $\frac{1}{2}$	121 $\frac{1}{2}$	.....	114 $\frac{1}{2}$
13.....	.....	122 $\frac{1}{2}$	123 $\frac{1}{2}$	.....	.....	120 $\frac{1}{2}$	121 $\frac{1}{2}$	120 $\frac{1}{2}$	114 $\frac{1}{2}$
14.....	.....	.....	123 $\frac{1}{2}$	.....	.....	120 $\frac{1}{2}$	121 $\frac{1}{2}$	.....	114
16.....	.....	.....	.....	.....	120 $\frac{1}{2}$	119 $\frac{1}{2}$	120 $\frac{1}{2}$	.....	113 $\frac{1}{2}$
17.....	121 $\frac{1}{2}$	.....	122 $\frac{1}{2}$	120 $\frac{1}{2}$	.....	119 $\frac{1}{2}$	119 $\frac{1}{2}$	.....	113 $\frac{1}{2}$
18.....	123	.....	123	121 $\frac{1}{2}$	120 $\frac{1}{2}$	120	120 $\frac{1}{2}$	.....	112 $\frac{1}{2}$
19.....	123 $\frac{1}{2}$	123	.....	121 $\frac{1}{2}$	121 $\frac{1}{2}$	120 $\frac{1}{2}$	120 $\frac{1}{2}$	120 $\frac{1}{2}$	114
20.....	123 $\frac{1}{2}$	.....	123 $\frac{1}{2}$	121 $\frac{1}{2}$	.....	119 $\frac{1}{2}$	120 $\frac{1}{2}$	.....	114
21.....	.....	.....	.....	.....	.....	120 $\frac{1}{2}$	120 $\frac{1}{2}$	120 $\frac{1}{2}$	.....
23.....	.....	.....	122 $\frac{1}{2}$	121 $\frac{1}{2}$	121 $\frac{1}{2}$	120 $\frac{1}{2}$	120 $\frac{1}{2}$	.....	114 $\frac{1}{2}$
24.....	.....	.....	122 $\frac{1}{2}$	.....	.....	120 $\frac{1}{2}$	120 $\frac{1}{2}$	.....	114 $\frac{1}{2}$

Day of month.	6's, 1881.		6's, (5-20 yrs.) Coupon					5's, 10-4.	
	Coup.	Reg.	1881.	1884.	1885.	new.	1887.	1888.	yr. C'pn.
25.....	128½	.....	121½	121½	121½	120½	120½	.....	114½
26.....	128	.....	120½	.....	.....	120½	121	.....	114½
27.....	128½	.....	120½	121½	121	120½	121½	.....	115½
28.....	.....	.....	121	.....	.....	120½	120½	120½	115
29.....	128½	128	120½	122½	122½	121½	121½	.....	115½
31.....	128½	123½	123½	122½	122½	121½	121½	.....	115½
First.....	124½	124½	125½	123½	121½	122½	122½	122½	114
Highest.....	125	125	125½	124	124½	122½	122½	122½	116½
Lowest.....	121½	122½	122½	120½	120½	119½	119½	120½	112½
Last.....	123½	123½	126½	122½	122½	121½	121½	120½	116½

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

Gold opened at 131¼ and closed at 133¼, having, during the interim, touched at 131½. The first half of the month speculation was languid and generally in favor of a lower premium. Later, however, the diminishing stock on the market encouraged a few very large holders to buy, in the hope of being thereby enabled to control the market and force up the price. The premium has not been materially affected by affairs extraneous to the market, the speculative situation being such as to render the price peculiarly insensible to the considerations which more legitimately control it. The Treasury sold \$2,000,000 of coin during the month. The exports of specie have been quite nominal. About \$2,000,000 gold was transferred from this market to San Francisco, through the agency of the Treasury; the gold being deposited in the Sub-Treasury here, while the United States Treasurer gave the depositors an order on the Assistant Treasurer at San Francisco to pay an equal amount to their correspondents in that city.

COURSE OF GOLD AT NEW YORK.

Date.	Open'g	Lowest	.....	Date.	Open'g	Lowest	High'st	Closing
Monday.....	9 136½	136	13	T				
Tuesday.....	8 135½	135½	13	W				
Wednesday.....	4 136	135½	13	T				
Thursday.....	5 136	136	13	F				
Friday.....	6 136½	136½	13	M				
Saturday.....	7 136½	136½	13	T				
Monday.....	9 136½	135½	13	A				
Tuesday.....	10 135½	135½	13					
Wednesday.....	11 135½	135	13					
Thursday.....	12 135½	134½	13					
Friday.....	13 134½	134½	13					
Saturday.....	14 134½	136½	13					
Monday.....	16 1 4	134½	13					
Tuesday.....	17 133½	133	13					
Wednesday.....	18 133	133½	13					
Thursday.....	19 133½	133½	13					
Friday.....	20 133½	133½	13					
Saturday.....	21 132	131½	13	S				
Sunday.....	22 131½	131½	13					

The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities quoted at the New York Stock Exchange during the months of July and August, 1869 :

Railroad Stocks—	July				August—			
	Open.	High.	Low.	Clos.	Open.	High.	Low.	Clos.
Alton & Terre Haut.....	80	81½	59½	59½	83	86	83	85½
" " " pref.....	60	61½	59½	59½	59	59	58	59
Chicago & Alton	162	166	158	166	168	168	158	155
do do pref.....	160½	166	159	166	162½	162½	155	156
Chicago, Burl. & Quincy.....	191	191	183	190	196	200	194½	194½
do & Northwest'n.....	82½	83	79½	80½	84	92½	82½	89½
do do pref.....	96½	96½	93½	95½	96½	101	93½	95½
do & Rock Island.....	118½	118½	113½	114½	114½	11½	114½	114½
Columb., Chic. & Ind. C.....	38½	39½	3½	36½	37	37	31	26
Cleve. & Pittsburg.....	102	109½	102	107½	107½	108½	104	106½
do Col., Cin. & Ind.....	74	76	72	73	73½	82	73½	79
Del., Lack & Western.....	112½	113	110	112½	112	113	111½	112½
Dubuque & Sioux city	105	105	102	104½	104½	113	104½	112
Harlem	144	168½	142½	163½	161	167	160	160
Hannibal & St. Joseph.....	119	123	115	126½	126½	131	124	125
do do pref.....	119½	130	119	126	125	125½	120	121
Hudson River	165½	194	159½	187½	187	185½	179½	184
Illinois Central	142½	146	140½	141½	143	142	132½	139½
Long Island.....	50	50	50	50	100	100½	104½	105½
Lake Sho. & Mich. South.....	100	100	100	100	100	100½	104½	105½
Macon & Western.....	120	120	120	120	120	120	120	120
Mar. & Cincin., 1st	23	23	23	23	23	23	23	23
" " 2d	9½	9½	9½	9½	9	9	9	9
Michigan Central	120	136½	127½	131½	132½	132½	128	129
Milwaukee & St. Paul.....	76	78½	73	77½	79	84½	78	79½
do do pref.....	86	89½	84½	87½	89½	92½	86½	87½
Morris & Essex.....	89½	90	87½	87½	88½	8½	87½	86½
New Jersey	123	123	123	123	123	123	123	123
do Central.....	104½	104½	97	102½	102	109½	102	107½
New York Central.....	196½	217½	189½	215	209½	212½	197	199
do & N. Haven.....	127	131	125½	131	132½	145	132½	140
do do scrip.....	124	128	124	128	128	140	123	125
Norwich & Worcester.....	104½	105	104½	105	112	113	112	112
Ohio & Mississippi	32½	33	31½	32½	32½	32½	31½	31½
Panama	235	235	270	270	270	270	230	230
Pittsb., Ft. W. & Chica.....	156	157½	150	153½	153½	154½	151½	151½
do do guar	89½	90	89½	89½	89½	90	89½	89½
Reading	98½	99½	92½	97½	97	98	95½	96½
Rome, W. & Ogdensb'g	100½	100½	100½	100½	100½	100½	100½	100½
Toledo, Wab. & Western.....	72½	77	71½	75	74	88	74	83
do do do pref.....	76	86	76	80	74	87½	74	85

Miscellaneous—

Cumberland Coal	82	83½	80	83½	84	85½	83	83
Pennsylvania.....	225	225	225	225	225	225	225	225
Wilkesbarre Coal.....	65	65	65	65	65	65	65	65
Del. & Hud. Canal	127	131	127	127	127	128	126	126
Pacific Mail	88½	92½	81½	84½	84½	87	79	80
Boston Water Power	15½	15½	1½	15½	15	15	13½	13½
Canton	62½	62½	60	60	62½	68½	58	66
Brunswick City.....	11	11	11	11	8½	8½	8½	8½
Mariposa	9	9	8½	9	8	8	8	8
do pref.....	16	17	15	16	16	16	10½	12
Quicksilver.....	15	16½	15½	16	16	16	14	15
West. Union Telegraph.....	38½	39	36	37½	39	39	37	37½
Citizens Gas.....	160	160	160	160	160	160	150	150
Bankers & Brokers Ass.....	109	110	108½	109½	109	110	108½	109½
Union Trust.....	150	150	150	150	150	150	150	150

Express—

American M. Union.....	42½	43½	39½	42	41½	42½	35½	36
Adams	62	63	59½	59½	59½	59½	56	56½
United States.....	70	75	69½	70	69½	69½	62½	63½
Merchant's Union	6	6	6	6	10	11	10	11
Wells, Fargo & Co.....	31½	31½	21½	21½	21	22	18½	19

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for six daler.	Hamburg. cents for M. banco.	Berlin cents for thaler.
1.....	11	515 @ 513½				71 @ 71½
2.....	11	515 @ 513½				71 @ 71½
3.....	11	515 @ 513½				71 @ 71½
4.....	11	515 @ 513½				71 @ 71½
5.....	11	515 @ 513½				71 @ 71½
6.....	11	515 @ 513½				71 @ 71½
7.....	11	515 @ 513½				71 @ 71½
8.....	11	515 @ 513½				71 @ 71½
9.....	11	515 @ 513½				71 @ 71½
10.....	11	515 @ 513½				71 @ 71½
11.....	11	515 @ 513½				71 @ 71½
12.....	11	515 @ 513½				71 @ 71½
13.....	11	515 @ 513½				71 @ 71½
14.....	11	515 @ 513½				71 @ 71½
15.....	11	515 @ 513½				71 @ 71½
16.....	11	515 @ 513½				71 @ 71½
17.....	11	515 @ 513½				71 @ 71½
18.....	11	515 @ 513½				71 @ 71½
19.....	11	515 @ 513½				71 @ 71½
20.....	11	515 @ 513½				71 @ 71½
21.....	11	515 @ 513½				71 @ 71½
22.....	11	515 @ 513½				71 @ 71½
23.....	11	515 @ 513½				71 @ 71½
24.....	11	515 @ 513½				71 @ 71½
25.....	11	515 @ 513½				71 @ 71½
26.....	11	515 @ 513½				71 @ 71½
27.....	11	515 @ 513½				71 @ 71½
28.....	11	515 @ 513½				71 @ 71½
29.....	11	515 @ 513½				71 @ 71½
30.....	11	515 @ 513½				71 @ 71½
31.....	11	515 @ 513½				71 @ 71½
August, 1869.....	109½ @ 110½	517½ @ 513½	40½ @ 40½	78½ @ 79½	85½ @ 86	71 @ 71½
August, 1868.....	108½ @ 110½	516½ @ 513½	40½ @ 41½	79½ @ 80	85½ @ 86½	71½ @ 72½

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.
January 2.....	\$259,090,037	\$20,734,129	\$4,879,609	\$180,490,445	\$18,898,421
January 9.....	258,792,569	27,334,730	34,344,156	187,908,539	51,141,128
January 16....	262,838,831	29,258,536	34,279,158	195,484,843	52,927,033
January 23....	264,954,619	28,864,197	34,265,946	197,101,163	54,022,119
January 30....	263,171,109	27,784,923	34,331,156	196,085,462	54,747,689
February 6....	266,541,732	27,929,404	34,246,436	196,601,899	53,424,139
February 13..	264,880,467	25,854,331	34,263,451	192,977,980	52,284,958
February 20..	263,429,061	28,351,291	34,247,321	187,612,546	50,997,197
February 27..	261,371,897	20,832,803	34,217,981	186,216,173	50,835,054
March 6.....	263,089,863	19,436,624	34,275,885	182,601,437	49,145,269
March 13.....	261,469,695	17,353,671	34,690,445	182,392,458	47,689,621
March 20.....	263,098,362	15,218,306	34,141,310	183,601,999	50,774,874
March 27.....	263,909,599	12,078,724	34,777,814	180,113,910	50,655,103
April 3.....	261,933,675	10,727,869	31,616,916	175,325,769	48,496,359
April 10.....	257,150,327	8,721,343	34,609,860	171,493,540	49,644,742
April 17.....	255,184,889	7,811,779	34,486,769	172,203,494	51,001,488
April 24.....	257,458,074	8,850,360	34,060,511	177,310,080	51,677,693
May 1.....	260,435,160	9,267,615	33,972,053	180,948,045	55,496,722
May 8.....	263,466,373	10,081,469	33,986,160	191,813,387	55,105,573
May 15.....	269,498,397	16,374,769	33,977,793	199,392,449	56,501,356
May 22.....	270,375,962	15,429,404	33,927,306	199,414,869	57,848,399
May 29.....	274,985,461	17,871,330	33,920,845	202,056,600	57,810,873
June 5.....	275,919,609	19,051,133	33,929,995	199,124,042	57,289,429
June 12.....	271,969,786	19,058,530	34,141,790	193,866,905	50,669,258
June 19.....	265,841,906	19,025,444	34,198,829	184,214,110	49,619,488
June 26.....	260,431,739	20,247,140	34,214,745	181,774,695	48,163,920
July 3.....	261,368,471	22,530,207	34,217,973	179,939,467	46,787,363
July 10.....	255,424,942	20,266,912	34,277,945	163,197,339	48,708,733
July 17.....	257,008,269	31,065,460	31,178,487	183,481,741	51,859,706
July 24.....	259,641,889	30,079,444	34,110,749	193,624,261	54,271,868
July 31.....	260,530,433	27,911,633	34,068,677	196,416,443	56,101,627
August 7.....	264,872,367	26,009,925	33,947,965	200,220,003	56,064,234
August 14.....	263,605,365	24,154,499	33,992,367	196,952,711	54,730,039
August 21.....	262,741,123	21,694,610	34,083,104	192,024,546	53,070,631
August 28....	261,012,109	19,496,108	34,999,749	186,754,639	52,792,581

PHILADELPHIA BANK RETURNS.

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.....	\$51,716,999	\$352,483	\$13,210,397	\$33,121,023	\$10,362,79
January 11.....	51,642,237	544,691	13,418,109	33,768,511	10,592,372
January 18.....	52,122,738	478,462	13,729,493	39,625,158	10,596,540
January 25.....	52,537,015	411,837	14,051,870	39,555,463	10,543,914
February 1.....	52,632,813	322,782	14,246,570	29,677,943	10,589,331
February 8.....	53,039,716	337,051	13,735,595	40,040,399	10,525,552
February 15.....	52,929,391	304,681	13,573,043	33,711,575	10,732,235
February 22.....	52,416,146	231,307	13,203,607	37,990,986	10,458,546
March 1.....	52,251,351	256,933	13,010,508	37,735,205	10,453,546
March 8.....	52,232,000	297,887	13,258,201	38,293,966	10,456,933
March 15.....	51,911,522	277,517	13,028,307	37,570,589	10,459,441
March 22.....	51,328,419	225,097	12,765,759	36,960,009	10,461,446
March 29.....	50,597,100	210,644	13,021,315	36,863,344	10,472,439
April 5.....	50,499,466	159,013	12,169,221	33,373,854	10,422,446
April 12.....	50,770,193	184,246	12,643,357	36,029,133	10,622,106
April 19.....	51,178,371	167,818	12,941,783	37,031,747	10,629,425
April 26.....	51,294,222	164,261	13,640,063	37,437,235	10,624,307
May 3.....	51,510,982	201,758	14,210,371	38,971,241	10,617,335
May 10.....	51,936,530	270,525	14,623,803	39,172,803	10,617,334
May 17.....	52,168,626	276,167	14,696,365	40,632,742	11,114,612
May 24.....	52,341,764	174,115	15,037,008	41,031,410	10,618,246
May 31.....	52,210,874	185,267	15,484,947	42,447,319	10,655,561
June 7.....	52,826,257	169,816	15,372,388	42,390,330	10,610,430
June 14.....	53,124,800	152,451	15,178,332	42,003,077	10,621,432
June 21.....	53,810,005	148,795	14,972,123	42,066,901	10,617,534
June 28.....	53,661,172	180,631	14,567,327	41,517,716	10,622,734
July 5.....	53,037,521	303,621	14,031,449	41,221,537	10,618,545
July 12.....	53,140,755	425,293	13,415,493	40,140,497	10,612,772
July 19.....	53,128,598	456,751	12,944,896	39,834,862	10,618,726
July 26.....	52,443,100	390,377	13,076,180	38,160,644	10,649,722
August 2.....	51,953,833	381,669	13,613,911	39,717,126	10,610,233
August 9.....	52,022,930	325,216	13,530,061	39,506,405	10,606,291
August 16.....	51,932,931	266,039	13,047,635	39,141,196	10,610,261
August 23.....	52,260,626	244,236	12,977,027	39,010,665	10,604,352
August 30.....	52,038,652	245,515	13,013,213	38,838,414	10,606,334

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.....	\$98,423,644	\$2,303,401	\$12,938,832	\$37,538,767	\$25,151,235
January 11.....	100,727,017	3,075,814	12,864,700	38,032,891	25,276,617
January 18.....	102,205,209	2,677,658	12,992,327	39,717,193	25,343,221
January 25.....	102,959,942	2,394,790	13,223,374	39,551,747	25,372,310
February 1.....	103,696,853	2,161,284	12,964,225	40,223,463	25,312,317
February 8.....	104,342,425	2,073,908	12,452,795	39,693,857	25,240,657
February 15.....	103,215,034	1,845,524	11,642,856	37,759,712	25,352,122
February 23.....	102,252,632	1,545,418	11,260,790	36,323,814	25,304,052
March 1.....	101,309,539	1,233,936	11,200,149	35,489,466	25,301,527
March 8.....	101,425,932	1,297,599	10,983,972	35,525,680	25,345,377
March 15.....	100,820,303	1,217,315	10,569,183	34,051,715	25,351,654
March 22.....	99,553,319	1,330,864	10,490,443	32,641,037	24,539,572
March 29.....	99,670,945	937,769	11,646,222	32,930,430	25,241,167
April 5.....	96,969,714	662,276	11,243,334	33,504,099	24,671,716
April 12.....	99,625,472	750,160	11,391,539	34,392,377	25,338,752
April 19.....	99,115,550	639,460	11,419,996	34,357,071	25,351,534
April 26.....	98,971,711	617,435	12,361,827	35,304,203	25,312,751
May 3.....	100,127,413	708,963	12,852,113	36,735,742	25,330,060
May 10.....	100,555,542	1,287,749	12,513,472	37,457,897	25,321,332
May 17.....	101,474,587	1,184,486	12,688,527	38,703,304	25,309,662
May 24.....	102,042,182	934,560	13,191,542	39,347,831	25,290,332
May 31.....	101,573,278	772,397	13,696,857	38,403,634	25,173,332
June 7.....	103,613,849	640,582	13,454,661	38,491,446	25,292,157
June 14.....	104,352,546	601,742	12,443,615	37,403,719	25,347,667
June 21.....	103,691,653	959,796	12,087,305	36,243,996	25,313,461
June 28.....	102,575,825	1,103,662	11,784,502	34,331,417	25,204,352
July 5.....	102,633,948	3,140,676	9,535,608	34,631,745	25,235,701
July 12.....	101,403,211	3,255,151	9,511,879	31,520,417	25,235,049
July 19.....	102,707,510	3,024,595	9,733,461	35,211,103	25,251,394
August 9.....	103,804,554	2,365,920	10,719,569	37,303,637	25,514,706
August 16.....	103,811,271	2,154,616	10,433,505	36,117,972	25,372,232
August 23.....	102,958,791	2,117,372	11,210,664	34,923,731	25,344,094
August 30.....	103,053,007	1,971,713	11,908,736	35,229,149	25,303,062

THE
MERCHANTS' MAGAZINE
AND
COMMERCIAL REVIEW!

OCTOBER, 1869.

THE INCREASE OF MATERIAL PROSPERITY AND OF IMORAL AGENTS, COM-
PARED WITH THE STATE OF CRIME AND PAUPERISM.

BY J. H. ELLIOTT, ESQ.*

PART I.—I.—*Introduction.*

It is proposed to place some groups of familiar facts and figures in an unusual apposition, to see what conclusions they point. The subsequent tables are exceedingly suggestive when so placed. The population was taken in 1851 and 1861, showing an increase of 12 per cent in England and Wales, 6 per cent in Scotland, and a decrease of 12 per cent in Ireland. The net increase of the United States being 6 per cent. Let this numerical increase be remembered while studying the Tables A and B, which exhibit a much greater relative supply of the various things which go to make up the material of human well-being—food, clothing, and fuel; add also of education, as narrowly understood, and of educa

* Read before the Statistical Society of London.

tion in its true meaning, either for good or for harm, and of religious instruction. To this add the improved sanitary condition of the people, by reason of better drainage; of improved dwellings, as far as they go; extension of medical aid and hospital relief; more temperate habits; and, what does not admit of measurement, the kinder social and moral relations of the various classes of the people. The wealthy and intelligent, if they err at all, err now on the side of too much solicitude and active interference, with their less fortunate fellow creatures. Friendly and courteous behavior seems to increase daily; and gentler manners, arising from the better training and example of the upper and middle classes, which reflects usefully upon the conduct of all. Very much good, little heeded, is attributable to railway discipline, and to the honorable and generous policy under which the affairs of railways are usually conducted. All these are so much moral teaching for the millions of railway passengers. The less use of alcoholic drinks, consequent upon railway traveling, allows the brain to continue in a more normal state of tranquil health, a condition closely affecting human conduct. All this, if carefully thought out, will indicate a very great increase in the power and quantity of those agents which tend to improve the morals and manners of the people. They must produce great practical results of a most cheering kind, but they do not do so nearly to the extent they ought to do. There is a portion of the people which do not illustrate much, if any, of these happy results, or the amount of violence, of crime, and of indigence would not concurrently manifest so much increase. It is not enough that crime should be even stationary, which it is not; for if these good agents did their specific work undisturbed, moral disease, crime, and misery, would very much decrease; and in such a wealthy and improving nation as is Great Britain, we have a right to expect this result. If certain medical treatment were known to be capable of relieving certain diseased symptoms, and yet did not do so in some or many cases, the physician would say, as he often does say (especially when attending ignorant and vicious people,) "There is something wrong here; that does not take place, which all experience shows should take place; there is some antagonistic agent at work. I apply known and proved remedies, yet the disease continues, and is even aggravated." So, if vice and misery, crime and pauperism, still increase among a people, when so many curative agents increase, we must inquire more deeply, and ascertain what the antagonistic agents are which spoil our work, baffle our hopes, and resist our sanitary influences as well moral as physical.

Notwithstanding all this, which, according to moral and physical laws, should be followed by less and less misery; when we find that misery

increases under our hands, we are compelled to ask what is yet omitted, or what, if anything, is still done of an evil tendency which spoils our work? What other things do we do which may or may not be snakes in the grass? Whatever they be, they ought to be fearlessly exposed, candidly and honorably acknowledged, and our policy changed. Some things are good in moderation which are destructive in excess, but some things are bad in every degree.

Much of human ill depends upon organization, which is hardly to be reached by human interference, at least in the present state of our appliances, but a larger portion of human ill is amenable to wise management. The causes of misery which depend on our organization are, defective animal strength, depraved appetites, imperfect intelligence, defective self-control, commonly shown in the absence of industrious and frugal habits, or in the undue energy of the passions, the healthy action of which are indispensable to happiness—due adjustment is virtue, too much or too little is vice.

Improvvidence, i.e., want of thrift, is the usual cause of misery among multitudes. Common prudence seems a very uncommon virtue; but with increase of so many good influences improvidence ought to decrease and thrift to increase, but they hardly do so. The lower orders especially, consume much more than they did, and in a wasteful manner. If luxuries increase, the consumption thereof must not be allowed to increase without due regard to the future.*

The people obtain more and more good things, but they consume and waste so much of this excess that they ever fall into indigence; those who do so, suffer deservedly, and they ought to be let alone. Year by year there is less excuse for poverty in this country, therefore those who so suffer, ought not to be relieved, or only with utmost stringency, else they are thereby encouraged in their vicious course of life, and, what is much worse, bystanders are demoralised, that is, they are discouraged in their

* The dietary of a mechanic in the East of London (where there is now much poverty,) earning from 36s to 40s per week, was in 1865 thus: he goes to work at 6, taking a dram of rum, breakfasts at 8, tea or coffee, eggs and bacon; luncheon at 10.30, bacon, mutton chops, or sausages, with beer; dinner at 1, meat, bread, potatoes, beer; at 8 to 8.30, a dram, usually of rum; 4.20 he goes to tea; home for the evening at 6, unless extra hours at extra rate of payment. Supper at home, sometimes of hot meat or poultry.—(*On the Statement of the Master.*)

Others in the same district would go into a public house on a Monday, throw down 20s, and order four bottles of sherry, and returning to work on Tuesday, would boast that since Saturday they had been living at the rate of a £1,000 a year. Men engaged in the city have wages from 15s to 18s a week, but make with fees 40s to 45s weekly. If they take home 15s for the wife out of 18s, keeping one for themselves, they think they make fair contribution—they say nothing of the 24s to 30s extra.—(*Idem*)

Men who two years ago were employed six days in the week at 40s to 50s, gave the smallest sum to their family on which they could drag on, and now that they get work only four or five days in the week, their families are no worse off, for they always did and do get only the minimum. The man himself has less to sink.

A man with a gang of laborers under him, working on a farm near London, makes sometimes 40s a week. His wife complained the family had barely necessaries, but showed the visitor the beer score for the week—17s 6d.

own difficult self-denial, and invited to disregard the future. If we cannot annihilate misery, our duty is to reduce it to the minimum, but by injudicious means we seem to insist that it shall ever continue at its maximum. It would be much more humane even, to leave all such suffering persons to their fate (but that is not necessary.) for misery would be reduced by such severe but unwholesome examples. Our practical teaching is, "be lazy, wasteful, and extravagant, and if any evil come there are those who will relieve you."*

The true dogma is this, that in England there ought to be but one charity in the whole land, i.e., the national poor law. All who suffer ought to be relegated to that really grand national charity; to it and nowhere else, except it be that small section of suffering persons, who are the surrounding of each one of us, who are known to us, and with whom we have some special or personal sympathies, our relations and intimate friends, and it may be our faithful servants, if such exist, honest to us and thrifty to themselves, these may be specially relieved by ourselves on the condition of our closer and affectionate sympathy with them.

All the rest of human sufferers are our common fellow creatures, who have equal claims upon us; none of them ought to have special aid or arbitrary preference. Special charity to small groups of sufferers fancifully selected beyond the circle of those we respect and esteem, is partiality and injustice to the larger mass who suffer on and get no special relief. After having aided one's own friend or his children, who cares whether it be Jones or Smith who enters the almshouse or the orphan asylum? who cares whether it be Brown or Hobbs that goes only to the union? All these persons are our fellow creatures, have equal claims to our sympathy, and they ought all to be equally well and kindly treated: and, if children, they should be usefully educated, not one better than another, for that is whimsical partiality and fanciful injustice. They ought all to go to the one national charity. Other public charities interfere with the good order of the State. Our own kind aid is due only to those we love and esteem, the national charity for all the rest.

That large mass of suffering which is the result of diseased organization, or of organic depravity, depends as much on our original formation (inscrutable as it may be) as lameness or scrofula, idiotcy or deafness, and should not be so treated as to extend and perpetuate such depraved constitutions. A multitude of these diseased persons, but not quite all,

* During a late outflow of charity in the east of London, a sack manufacturer complained that he had great difficulty in getting any sacks made. See also Statistical Journal, vol. xxxviii, p. 196, "Lancashire's Lesson."

should be left alone. Nature intended that the diseased stock should disappear and become extinct, and she has provided accordingly. Organic depravity should not be propagated and diffused by injudicious artificial interference. The healthy undisturbed process of animal life is to eliminate diseased organisms. The gardener propagates and encourages only the best fruits and flowers of their kind. The people of Scandinavia collect those hapless beings who are afflicted with leprosy into special hospitals. In Norway there are two, one at Molde another at Bergen where they keep in comfort and ease those of their fellow creatures who are infected with this loathsome and incurable disease. They say, here you shall live; but you shall not be abroad, contracting marriage and transmitting to another and another generation your dreadful affliction. There is much vice which is a leprosy of the soul, is as incurable, and should be so treated.

But the curable are still a large section of evil-doers. Those persons who are amenable to educational discipline, a discipline of no subtle and recondite sort, arrived at only by some difficult process, like that which enables men at last, after many trials and failures, to make a new die or a new engine. What has hitherto been done with the most amiable motives—nor labor nor money spared—has almost entirely failed, if the figure-facts before us is any evidence. The reports of various charitable and reformatory societies point at best to very uncertain results, the larger portion of those who are reported to the world as reformed offenders—cases of moral cure—are at best doubtful. They cannot be, and they are not thoroughly traced. Besides, the most satisfactory cases of cure are of persons who, having been taught some useful handicraft, are sent to the colonies where, labor being scarce and work abundant, and the land and the produce of the land in excess, the wretched offender and mendicant, the transient reformatory, whose existence has been that of severe continued self-denial or of criminal abundance, is placed in a new state of life, where he gets £3 or £4 a week. Not much moral pharmacy, good advice-alteratives, are required to change the youth who has matriculated in these penal schools into useful and fair-living workers, where they must behave well or disappear in the wilds. It is not that their moral nature, not that the diseased volitions of their brain, or it may be of a naturally depraved organization, have been changed, but that new and large rewards to industry have supplied strong motives to good conduct. Some few creatures there are who are bad, inveterately bad, for the pleasure of being bad, but excepting these, make it worth people's while, and most will become honest for a handsome consideration. At a familiar united meeting of *mauvais sujets* and of philanthropists, one man said, "Well, by picking pockets and such like, I make £10 a week (£500 a year); if you

will secure me as much, with no harder work, I will emigrate to the Cape at once." Words, phrases, moral lessons, good advice, will not alone effect a change in men's conduct; with such gentle influences must be added the alternative of pain and suffering, with the secured reward in the end of honest food for honest work. Many who have been submitted to the *materia medica* of the reformatory, have left that dispensary in improved moral health; but then they were persons of a class, happily rather numerous even among the evil-doers, who wanted no treatment at all, who did wrong once, and who, if they had escaped, would probably have played the fool no more. Many persons are submitted to medical treatment who would get well as soon, and perhaps sooner, *if left alone*; and these are the cases which form some of the triumphs of the doctor, and are the source of his reputation. Going his rounds, an hospital surgeon—an honest one—said to his pupils, "Gentlemen, there is here nothing to interest us, one portion of these patients will get well if we leave them alone, the rest will die and we cannot help them." Some few moral sufferers are in the same hopeless condition, others can be cured, but only by other treatment than it has hitherto been the custom to apply.

[II.—*Aliments.*

The large increase of material good things, as shown by Tables A and B (Appendix), has been chiefly appropriated and enjoyed by what are called the working classes. This mere numerical quantity inadequately illustrates their great material improvement, if we omit to notice that the richer classes of society have hardly shared this increase, because they *have always had enough and to spare of all such commodities*. In this respect they were equally well off in 1851 as in 1861 or 1865. Persons of £200 or £300 a year and upwards, except in as far as the number of the class have increased, consume no more food, no more in weight and nutriment of beef, mutton, bread, tea, coffee, &c., in 1865 or 1861 than they did in 1851. The increase with them, can but have been in the luxurious and extravagant use of wine, silk, and perhaps a little extra wool and cotton, which, encouraging extravagance in apparel, has probably done as much harm as good to the national morals. This enormous addition to the good things, to the comforts of life, has been appropriated almost exclusively by poorer persons. During the 15 years this increase (in addition to the home supply), of 200 or 300 per cent of animal food, 235 of butter, 162 of cheese, has been consumed almost entirely by the million. The upper ten thousand, or hundred thousand, have not had it, for this good reason, they could not have consumed it, "their cup already runneth over." If they take more it is wasted, and that would be inconsiderable

seeing that they belong (chiefly to the thrifty, saving, and, as a consequence, *well-doing, good-managing class*).

The increased supply of one period over the other of those articles, chiefly of comfort and luxury, which are entirely of foreign growth, as tea, cocoa, sugar, rice, maize, spirits, is an absolute increase, and is not like the foreign increase of one period over another, which must be added to the *unknown quantity* of home produce of wheat, &c. We know that the total quantity of tea, *e. g.*, has increased almost 100 per cent, but we only know that butter has increased by 235 per cent of foreign butter added to the unknown quantity of home-made butter.

III.—*Wages.*

Whatever may be the advanced *price* of food, &c., the increasing *quantity* consumed is evidence of increasing *ability* to purchase.

The subject of wages has been searchingly investigated in the *Journal* of this Society. It is needless to weary attention by any exposition showing how much wages have advanced during the fifteen years under comparison. In volume xxiii of the Society's *Journal*, Mr. D. Chadwick states that wages have increased in Lancashire in twenty years, from 1839 to 1859, 10 to 25 per cent in the cotton trade, and in the silk trade 10 per cent. In the building trades wages have increased 11 to 32 per cent. In many mechanical trades a general advance, even up to 45 per cent.

In the South, wages in the building trade advanced about 10 per cent from 1851 to 1861, and much more subsequently; at the same time there has been a diminution of the hours of labor claimed and readily granted, on the plea that time was wanted for these workers to improve their minds by the study of mathematics, geography, history, &c.; a great sham by the bye, which it is not creditable should have been listened to. Advance wages and shorten labor if you will, but do not believe that much use will be made thereof for mental improvement. Many of these people (and rightly enough) use their increased leisure by working for themselves. The best fellows among the builders and the like, do jobs on a Saturday afternoon if they do not idle about, and even that is not so bad recreation for men who work hard either with their brains or their muscles. Study they do not, and they would profit little if they attempted it.

Mr. Purdy's exhaustive paper, in volume xxiv, shows the wages of the agricultural laborers in thirty-four counties to have increased about 12 per cent from 1837 to 1860. A subject of great rejoicing to all who know the admirable though humble virtues which illustrate the lives of that class of the community, who are at once the most useful and the most hardly done by, the most patient, enduring, and uncared for, just because

they have been the least troublesome, and have kept their sorrows to themselves.

A few additional facts may be interesting.

In Kendal, in the woolen trade, during the period under notice, the wages of—

Young persons have advanced.....	20 to 25	per cent
Women.....	25	"
Skilled women, working in looms and machines.....	50	"
Skilled men " " ".....	5 to 10	"
Power loom weavers, women, from.....	5s 3d to 8s 2d	per week
Spinners, from.....	18s 4d to 22s	"

During this time the population of the borough of Kendal increased about 2 per cent only.

Persons in the web trade, in Somerset, earned in—

1851, Men.....	12s	1861, Men.....	15s
" Women and boys.....	5s	" Women and boys.....	6s

No change took place in the wages of letter-press printers from 1816, when sixty hours' work earned 33s., until 1866, when an advance to 36s. was made, or 9 per cent.

It is then much within the truth to say, that in the last ten or fifteen years wages have advanced, at a minimum, 15 per cent; at the same time there has been so steady an increase in the demand for workers, that none need have been out of work who could and would work. The demand is almost above the supply, or it has been so until lately, as well for unskilled as skilled laborers.

IV.—*Savings Banks.*

The *capital* deposited in the savings banks for the United Kingdom was for the periods—

1851	£30,277,000
1861	41,546,000
1866	45,228,000

(including the Post Office Savings Banks) being an increase in fifteen years of 50 per cent. But, as Table C (Appendix) shows, the increase is more in the amount of deposit, 22s. 2d. and 29s. 7d., than in the number of depositors, the *greater thrift* of the thrifty depositors is better shown than the *greater number* of depositors. Thrift, it seems, is rather a fixed quantity.

In this cheering increase, Ireland enjoys its full proportion. Thus, the virtuous section of the people, making wise use of prosperity, goes on

improving their state of independence, for we cannot believe that the dangerous classes make any considerable deposit in savings banks. These have full command over other and ever-increasing funds provided by the public for their relief—in parochial and other luxurious charities, in pillage, in the warm and comfortable asylum of the prison-house, the reformatory, and the hospital, and now in the casual ward of the union house. Perhaps of all modern fancies this is the most mischievous. Here the wandering idler is supplied with food, lodging, bath, and attendance, gratis, such lodging as used to cost him 2s. 6d. to 5s. a week. The stone-breaking and the oakum-picking is but nominal, or amusing exercise. Discipline cannot be enforced. The officials and others are so ill-used alike by the paupers, by the humane magistrates, and the public, that they almost give up their duty in despair, and connive at the ill-conduct they cannot suppress and have no means of punishing. This is very much the case now in many prisons, and other asylums for the repose of evil-doers. It is only people in the best moral health who deposit in savings banks, the rest—that is, those who are morally diseased—know better, and are too much encouraged in their unthrift.

Thus, *the means* by which the people have been enabled to buy an ever-increasing quantity of good things, *have increased still faster*, so that the thrifty portion of the humbler classes have been enabled in fifteen years to increase their savings from thirty to forty millions. To say nothing of the millions which have been added to their own or to the national capital by the richer class, who thereby have supplied the improving fund, wherewith more workers are better employed. There is much sound political economy in the maxim of low life, "What are the rich for but to take care of and keep the poor?" Capital for their work, money for their relief.

V.—*Emigration.*

Emigration for the ten years 1851–61 (continued to the present time), has steadily relieved the labor market. This is another cause of the increasing wage-rate, and by which the eaters become fewer and their severer competition is lessened. Thus there has been again more and more bread for the eater. It is time to consider if the State should continue at the public cost its emigration agency. We cannot without limit, be at once a nursery and an almshouse for half the world, losing so many of our best workers, and making our colonies richer at an undue charge to the mother country, which is thus left to struggle with an ever-increasing proportion of lame, lazy and helpless persons who must be maintained by the labor of a less and less proportion of workers. The

cost of rearing so many useful workers, during the period of their unproductive growth, is almost solely defrayed here in England, and when they are sent *elsewhere*, at our own cost, or chiefly so; the only compensation being that they become better customers to us abroad than if they had remained at home. A farmer would soon be impoverished if he endured the cost of rearing foals or colts, and was deprived of his mature horses. At a time when there is a demand beyond the supply for domestic servants there are busy people, well meaning but not very wise, who, selecting the stoutest and best ordered of our young women, send them carefully consigned to Australia. If such young women desire to improve their own condition by emigration, they ought first to engage in some useful labor here, and with their own saved earnings depart themselves to other regions. A few years of thrifty labor here, especially as domestic servants, would render them at once self-dependant and properly trained workers elsewhere; in all respects better qualified to become good settlers.

VI.—*Education.*

For the purpose of education, or for that limited education more correctly called pedagogy, treasure has been liberally bestowed. The sum expended in the United Kingdom in 1854 was £715,000, which increased in 1865 to £1,369,000, or nearly double. In 1854, 1 in 38 of the population attended schools; in 1865, 1 in 22 (see Table D, Appendix). A large percentage of the population ought to have exhibited the good effects of this education in their conduct in life, for during this time some at least must have emerged from the state of pupilage into that of adolescence and active life. That such has taken place in but a small degree, if at all, subsequent tables will show.

Still more ought such good effects to appear, when we add the great increase of religious teachers and places of worship. Clergymen, priests, and all such, have been, and very consistently, most tenacious that religious training is of essential importance in the States, and that no good can be expected from any teaching which is not intimately allied with their own especial ministrations. Some seven or eight millions yearly is appropriated to special religious purposes, and the sum is increasing.

The means—other than religious—of moral and intellectual teaching have also enormously increased. Newspapers, halfpenny and penny books, pamphlets, serials, works of art, not to omit photography, come forth in myriads. Especially does the photographic portrait maker deserve a place in the ranks of moral teachers. In these literary educational agents, England contrasts favorably with France. Three or four years ago there was but one journal, "Le Petit Journal," of universal

circulation over the country, inferior in size and still more in matter to any of our lowest priced English newspapers.* It is worth while briefly to inquire why all this has so greatly failed.

The pedagogy of education has little to do with crime and pauperism, though it is taken to be a specific against those evils. Reading and writing, as mere reading and writing, may do as much harm as good, and can no more make an educated person than does a pen make a scribe, or a box of carpenter's tools a boat-builder; yet that sort of so-called education, is correctly taken to be a sign or symptom of some really good training more or less. Those parents who have taken care to get their children schooled are usually a good sort of people, and have done much for their children in home training. As the weather-cock shows the way of the wind, so the sending to school shows the way of the family.

Useful education means habitual industrious work and severely enforced self-denial. The training of a good laborer commences from the time when, as a boy, he follows his father into the fields; and so far from an agricultural laborer being unskilled—though unschooled—he is a variously skilled workman, and, to be good for anything he must be brought up to his profession from his early boyhood. It requires more varied qualities of mind and body to be a good laborer than to be a good carpenter, whose tools keep *him* square, "By line and by rule," &c., while the other makes parallel lines in a field, with an awkward thing called a plough, and still more awkward things called horses.

Further, our tables show a sorrowful dissonance between means and results, because, with regard to females, true training has been misplaced by false schooling. Domestic servants, male and female, were one million in 1861, and to fit them for such useful labors, their own future natural occupations as heads of families, and especially as wives and mothers, the duties of the household afford the best kind of training, and until the market for domestic female servants is full, charity ought not to push necessitous women into any other so appearing more genteel occupations.

* Of the state of literature in 1860 we have very ample statistics. Of monthly magazines more or less devoted to fiction, there were 2,210,000 circulated annually; of journals published weekly, the chief feature being novels, 700,000; of single romances issued at a penny, 5,000; of immoral publications, 52,500; and of magazines at twopence, 374,000, exclusive of sectarian literature, religious, temperance, educational, &c.; total, in round numbers, 3,349,000. Comparing this with 1831, before the stamp tax or advertisement duty had been repealed, we see against the 125,000 of monthly magazines circulated then over 2,000,000 now; and whereas there existed then no cheap fiction of a really wholesome kind, we have now a circulation of over a million of journals at a penny and twopence, containing stories not classed as immoral, against only 12,500 of a notoriously immoral kind. But the great impetus to the spread of cheap literature of all kinds was given by the repeal of the paper duties in 1861. We learn by an article in the "Bookseller," of May 31, 1861, the materials for which were supplied by Mr. Francis, the following facts concerning fiction. Three years after the repeal of the excise there were of journals containing novels, sketches, &c., thirteen at a penny and a halfpenny, with an aggregate weekly issue 1,053,000 of romantic tales published separately, eight publications, aggregate issue 195,000; of immoral publications, 9,000; of higher class magazines, published monthly, 244,550. This is not including religious and other literature where fiction was a secondary object. Thus we have a weekly and monthly issue of respectable publications a most equal to the entire annual issue of a few years previously, and of immoral publications we have 9,000 against 52,500 then.—*Social Science Journal*.

The things taught in a school, useful as they may be, are of small value indeed, compared with the practical training which girls receive in that true school of humble life—the kitchen; where they are (or ought to be) taught *obedience*, and required to perform *subordinate* labor, drudgery it may be, though much of it is indeed skilled labor, in well-ordered households, of an expenditure of £200 or £2,000 a year.

It would be well if those kind ladies who do so much for school education and out of door charities, would inquire if the true schools for their superintendence be not their own households, their kitchens, pantries, nurseries; if they cannot teach there they can teach nowhere. Some of our most sensible ladies take girls into their households for the mere purpose of teaching the accomplishments of good housewifery. All educational schemes and charitable fancies are likely to do more harm than good, if the *nomos oikou* (the law of the house) be unknown and neglected. The great merchant and the little mechanic, alike *collect* the grains of subsistence, which in the end the good housewife *distributes* with as sharp a percentage of saving here and there as they have been scraped together by keen commissions and profits.*

PART II.—VII. *Introduction.*

All these moral and material agents having enormously increased during ten or fifteen years, and much above the increase of population,† we now seek for their effects on the conduct of the people. If they show no favorable result, or at best a very inadequate one, we had better give

* The practical good of this sort of training, even among persons of a superior class, was better understood in former times. We read in MacDiarmid's "Lives of British Statesmen," that, "as a further step in his education Thomas More was placed in the family of Cardinal Morton. In consequence of the form into which society was thrown by the feudal institutions, the only road by which men of inferior rank could hope to reach distinction and power was by the favor of the great proprietors of land, the chief ecclesiastics, &c. In their families, also, the politeness, elegance, and knowledge of the age were to be found; for while the rest of the community, groaning under the tyranny of their superiors and the terrors of superstition added the most abject poverty to the most degraded ignorance, the patronage of the great was necessarily coveted by men of learning, as their only resource; and distinguished scholars, having a ready access to the tables of persons of condition, at a period when learning from its rarity, was held in high estimation, brought along with them a comparative degree of information and refinement. At the same time the internal economy of a great man's family, presenting a similar appearance with that of the monarch on a smaller scale, was the proper school for acquiring those accomplishments and that address by which success at court might afterwards be insured. Influenced by the considerations of these advantages, persons of good condition were eager to place their sons in the families of the great, as the surest road to fortune. In this situation it was not accounted degrading to submit even to menial offices; while the greatest barons of the realm were proud to officiate as stewards, cup-bearers, carvers to the monarch; a youth of good family could wait at the table or carry the train of a man of high condition without any loss of dignity. The patronage of the great man being naturally secured to those who had acted as his inmates and retainers, admission into the families of the principal officers of the State, who had preferment most directly in their power, was particularly courted." This illustrates a custom common in England among all classes, and continued from the times of Henry VIII, toward the end of last century.

† The smaller population-increase, when the whole United Kingdom is noted, arises from the fact that, while the outflow of the people from Ireland has reduced the redundant population there, the large migration of them into Great Britain from Ireland has unduly raised the percentage of increase here, and has unhappily increased in large ratio the ill-conditioned population. The Irish constitute an unfair proportion of our criminals, a state of things imminently dangerous as well moral as political, and one with which the Government must concern itself, or some catastrophe may be feared.

up the expense and save our fruitless toil. But these agencies, counter-acted as they have been, are still of priceless value, and had it not been for their salutary force we should have sunk lower in pauperism and crime. The small diminution of crime—where crime has diminished, a grave matter of doubt—is by no means commensurate with the prodigious increase of all these wholesome influences, which would have produced on the largest scale their own specific effects, had they not been so gratuitously disturbed by evil agents. What those agents are, is well enough known and understood by thinkers, though not very readily admitted by people in general, and scarcely ever declared in public. They form one group, and one alone. All has been going on for good in this country, but a sentimental humanity, interfering with the criminal law and prison discipline, and an inconsiderate multiform charity, which have put out of gear the action of the laws of nature and of man. Let any man tell the world why pauperism increases, why crime increases, or why, at best, do both remain stationary, except as both are influenced by bad discipline, and he will discover the philosopher's stone. The inquiry is exhausted; none will say that the causes enumerated if left undisturbed can produce any effect upon society but good. All except one, and if that one be not the disturbing evil hand, which puts out of order all the rest, then why do vice and misery so increase under our hands? The increase must have a cause, and there the one cause lies, patent before us; for if it be not that, then we have an uncaused effect, or the cause is still latent, unknown, undiscovered, and hardly to be reached by human inquiry. But to say that the cause which has been just alleged is not the true one, is to deny all human experience, to deny one's own instincts, and to ignore the laws of our moral nature, indeed of the whole animal world. If more food, more employment, more social kindness, do not cause those who are under their influence to behave better—in truth to be happier—there must be some concealed disturbance to look after. If a man—any one man—having all these things in abundance, yet sink down in atrophy, there surely must be some diseased action, in his own nature, or in some poison with which he is infected that resists and repels all nutritive agents.

VIII.—*Pauperism.*

The forces which have produced so large and increasing a mass of pauperism (see Table E, Appendix) have been too energetic to be resisted with much effect by the *vis medicatrix naturæ*, aided by our resources of moral and intellectual hygiene and pharmacy. The political physician—statesman or philanthropist—has applied the costliest remedies of his art, for many a long year, and here is the result; but a sound education by

the law and by public opinion, would long ere this have taught men, and enforced them at their peril, to provide in prosperity against adversity.

It is no new thing to be told the truth, that the pauper must be in all respects worse off than the humblest self-supporting laborer; yet, as an illustration of the contrary practice, a man was some weeks since taken into a union house near London, he said, "If I had known how comfortable I should have been in this place, I would not have struggled as I did all last winter." We have weakened all the motives to industry and thrift. The sound rules of government are as old as reason itself. They are taught clearly enough in Scripture, and Tacitus tells us: "By false compassion we injure the community; industry will go to ruin; sloth will predominate; men will no longer depend on themselves, but having from their own conduct nothing to hope or fear, they will look to their neighbors for support; they will first abandon their duty, and then be a burden on the public." Surely some of the errors which caused the ruin of old Rome, were not such as are doing the mischief to old England!

IX.—*Insolvency.*

Insolvency may be called the pauperism of the middle and upper classes, and insolvency laws will be wholesome in as far as the vices which cause insolvency are thereby restrained. But as both laws now exist and are administered, they form an influence in our national system of education, not for good but mainly for harm, and so far the people have a bad education. Fifty years of incessant changes have left the insolvency laws in a worse condition than at any former period. Such laws, to be effectual, ought to restrain by punishment those who by wilful and avoidable conduct will not or cannot pay what they justly owe.

We know little of the magnitude of insolvency, we know not the true number of insolvents, nor the amount of treasure of which they despoil their creditors. It would be one step towards a reformation of the law, if we were informed yearly of our losses by insolvency, as we are of our losses by pauperism.

Some twenty years ago the estimated loss was £50,000,000, and in all probability it is more now, especially when we add the gigantic disasters of 1866 and 1867, to which belong the large and new class of limited liability insolvencies.

In the year 1865, out of 8,300 bankruptcies, nearly 6,000 were upon the petition of the debtors—the wrong-doers—seeking the protection of the law against those they had injured. And 5,200 trust deeds show how injured creditors submit to any terms rather than accept the assistance of the court. The shades of difference between many of these cases

and compounding felony itself are not morally very distinguishable. In one case lately a dividend of 9d. in the pound legally satisfied debts of £2,000,000, and in another case the like dividend on £500,000. Such dividends on enormous debts are not rare (see *Times*, 13th and 17th February, 1868). We sometimes read, "One murder makes a villain, thousands a "hero."

X.—Police.

Police is a transition force, intermediate between those agents which improve the education of the people, constrain good conduct and prevent crime, and those which discover and bring crime to punishment. It has now grown up into a large army (1866) of 23,728 men, costing £1,827,106, yet this force has with difficulty prevented things from becoming much worse. Better results ought long ere this to have appeared. An efficient police restrains crime as well as detects it, but it does not correct the tendency to crime—it does not reform depraved natures—it only renders the development thereof into active life more difficult or impossible. When we put a drunkard under restraint, we prevent but do not reform him. The good citizens are mercilessly taxed to restrain evil-doers. A much less costly apparatus would control the desire, and would therefore in the end effectively and permanently reform the wicked. That is to say; humane discipline would present a stronger motive to work and take care than, as is now done, to be lazy, dishonest and cruel.

When it is said crime increases, the answer is often made, "Aye, but a vigilant police brings more crime to light." There is much fallacy in this; the truth being that for one crime that is detected by the police, there is many which are prevented. It is good to prevent, but it is still better to reform; that is, to diminish the power of the motives within a man which urge him to crime, by the active presence of counter-motives, rather than to restrain him in the deed he desires to do, by the presence of merely repressive forces acting upon him from without, which do not lock him up truly, but which hold the key before his eyes. All this is only force from without, acting on a weaker force within. We want men's conduct under their own will, to be directed in the right course by the energy of motives to do well being stronger than the motives to do evil. The one set of motives being of an agreeable kind, the other being of a very disagreeable but useful kind, i. e., reward and punishment. Work and food, or pain. Respect, peace and comfort on one side, or sharp suffering on the other. Bread earned, or stripes inflicted. "Prisons' bonds, bread and water, will put sense into a fool's head." They knew that more than two thousand years ago in ancient Greece.

1857-59 was 250,619, or 128 in 10,000 of the population; for the three years 1860-2, 290,084, or 131 in 10,000; in 1863, 333,641, or 138 in 10,000; and for the three years 1864-66, 317,568, or 149 in 10,000. But there were committed for trial or bailed, in the first period, 27,427; in the second period, 18,108; and in the third period, 16,155—making a total for the first period, or three years' average, 278,044; second period, 282,202; and for the third period, 1864-66, 322,953—being an increase of 16 per cent in ten years, while the estimated increase of population has been 10 per cent.

Again, the average number of persons committed or bailed were, for seven years, 1843 to 1854, *i. e.*, before the change in the law, 28,125; for seven years, 1856 to 1862, *i. e.*, after the change, 18,366.

Taking the four years after the alteration of the law, 1856 to 1859, the average number, 18,559; increasing afterwards, from 1860-63, to 18,786; while the class of commitments for one year, 1864, were 19,506; 1865 19,614; 1866, 18,849.

Again, in five years ending 1861, inclusive, the totals were 90,234, and in five years ending 1865, inclusive, 98,265.

The increase of crime coincident with relaxed punishments is shown over a period of forty years, from 1817 to 1857, in table F, appendix.

Offences against property without violence were, in 1851, 21,489; in 1861, 12,606—a decline caused by the Act of 1854; in the five years ending 1861, 62,828, and for the five years ending 1865, 67,146—being an increase of 4,318, or 6.9 per cent.

Offences against property with violence decreased, 1851 to 1861, from 2,013 to 1,905; but for the five years ending 1860 the total of these offences was 9,351, while for the five years ending 1865 they increased to 10,521. In burglary and housebreaking there has been very great increase. Malicious offences against property (including arson) in 1851 were 270; in 1861, 257. But for five years ending 1860 these offences were 947, and for five years ending 1865, 1,816. A singular increase.

Offences of all sort against the person in 1860 were 10,043, and in 1865, 12,146. Assaults of all kinds, committed or bailed in 1860 were 4,361, and in 1865, 5,814. In the year 1865 the total of assaults brought before magistrates was 60,406, and on peace officers, included in the above (one-fifth of the whole), 12,270.

Of murders and murderous assaults the total of five years ending 1860 was 2,866, and 1865, 2,585. The total of ten years ending 1856 and 1866 were 20,219 and 22,589, or about ten per cent increase. (Tables G and H, appendix.)

Crimes of violence indicate a more depraved state of the moral sense, and are very specific tests of the low state of education, not of the peda-

gogue, but of public opinion and of the law—the law, which the all-powerful schoolmaster. There has been so much talk about capital punishment of late, in which an affectionate interest in the blood-guilty has been strongly put forth in richly-colored relief, while the victims and their ruined families have been left in darkest and most neglected shade, that public opinion seems to have lost much of its horror and all of its holy anger. Yet venerable authority says, “Ye shall take no satisfaction for the life of a murderer which is guilty of death, but he shall surely be put to death.”*

We know but little of the crime of murder. In the year 1866 there were—

Verdicts of murder by inquests.....	272
Reported by police.....	181
Committed for trial.....	55
Acquitted or insane.....	24
Sentenced to death.....	26
Executed.....	12

So that of notoriously known murderers, 12 only met a righteous doom out of 272, or 1 in about 23. But with the greater sharpening of men's wit by education and reading, it is to be feared that deeds of death have become more subtle and refined, and more scientifically perpetrated. Undiscovered murder, as by poison, is practised to a great extent in England, as well as in other parts of the world. We know this by the testimony of competent persons, especially doctors. 272 doubled will fall short of the total of lives sacrificed yearly, encouraged in great part by fanciful legislation and literature.

The proportion of convictions for serious offences has in a small degree declined in the ratio of population, but even with this improvement, the increased cost of our police may indeed be grudged (see Tables I and K, Appendix.) This insignificant result is at last obtained only by an oppressive burden of two millions of money yearly, and by an inglorious abstraction of an army of now more than 24,000 stalwart men, at the most energetic period of their lives, from the productive industry of the

* Ancient Germans had no scruples about public executions; on the contrary, they thought the just gods themselves might fitly preside over these; that there were a solemn and highest act of worship in rightly done. When a German man had done a crime deserving death, they in solemn general assembly of the tribe doomed him to die with ignominy. Certain crimes there were of a supreme nature; him that had perpetrated one of these they believe to have declared himself a prince of scoundrels. Him once convicted, they laid hold of—no thing doubting—bore him after judgment to the most convenient peat bog, plunged him in there, drove an oaken frame down over him, solemnly in the name of gods and men. “There, prince of scoundrels, that is what we have had to think of thee on clear acquaintance; our grim good night to thee is that! Lie there, and be our partnership with thee dissolved henceforth. It will be better for us, we imagine!”—“Model Prisons,” by Thomas Carlyle.

country.* The game hardly pays for the candle. More wholesome and less costly means are at hand, had we the energy and benevolence to use them. But while this small improvement is concurrent with, as we see all along, an enormous increase in all the material and moral agents which ought to diminish crime, however much they may have aided to the comfort and have caused a decrease in the physical suffering of multitudes, they have not done the best part of the work expected of them.

CRIME, ENGLAND AND WALES, CONVICTED AND PUNISHED.†

	Number summarily punished.	Number of criminal prisoners sentenced and convicted.	Ratio per cent of criminals to population convicted.	Total of offenders.
1851.....	{ cannot be ascertained. }	21,579	0.12	.....
1861.....	263,510	13,879	0.07	277,389
1862.....	272,969	15,312	0.08	288,281
1863.....	288,641	15,799	0.08	299,440
1864.....	300,731	14,726	0.07	315,457
1865.....	312,882	14,740	0.07	327,622
1866.....	339,091	14,254	0.07	353,345

In respect of religious training there were, on the 1st of January, 1862, out of a total of—

Prisoners in England Wales.....	25,153	4,189 or $\frac{1}{3}$ Roman Catholics
Population being.....	20,000,000	1,500,000 or 1-18th only ditto.

Thus the Catholic offenders, instead of being 1 in 13, were 1 in 6.

Prisoners in Liverpool.....	888	485, or above one half.
Population.....	443,874	130,000, or about 1 in $8\frac{1}{2}$.
Prisoners in Ireland... ..	2,888	2,483, or six sevenths.
Population.....	5,764,543	4,490,583, or near four-fifths.

Thus in Ireland, where the people are under the strictest ecclesiastic

* The total charge of the criminal classes was stated in a daily paper in the year 1866 :—

	£	s.	d
Police.....	1,827,105	16	7
Paid by treasury for criminal prosecutions.....	143,511	6	6
Cost of prisons.	614,677	12	8
Cost of convict prisons.....	237,838	2	..
Reformatory schools (treasury).....	51,724	6	1
Industrial schools.....	13,567	10	6
Criminal lunatics.....	45,037	12	..
Total	2,937,967	6	4

—to which must be added the special cost incurred by prosecutors, the earnings of thieves while following their profession, and the incidents but great waste and destruction of property. It is no exaggeration to put this at £7,000,000, or £3,000,000 more.

† The convictions in Ireland were, in 1851, 14,377, but from 1861 to 1865 the number declined from 3,371 to 2,663, the average of five years being 2,903. But the great decrease of criminals of late years in Ireland, has been apparently followed by a corresponding increase in the United States, as well as by an undue proportion of Irish offenders in England. Of 80,533 persons arrested in New York (population 805,651) during 1867, 33,128 were natives of Ireland, 2,764 of England, 970 of Scotland. Thus nearly one-half of the total offenders were Irish.

discipline and exclusive infallible teaching, the offenders are 6 out of 7 instead of being 4 out of 5.

Prisoners in Scotland of.....	3,155	1,528 were Catholics.
Population	3,061,329*	

The state of education among offenders, like all else belonging to that class, is beset with trick, deceit, and fraud. They come to prison again and again, and every time they report themselves illiterate, though they have been taught as often to read and write. More schooling, and less oakum picking, result naturally in quick progress in learning, especially when the learning is of an old lesson, which shows a good lad or good man, and obtains a better character from the schoolmaster and the chaplain.

These are among the reasons why so large a proportion of offenders appear to be illiterate, and they will ever continue so until a compulsory system gives opportunity to all of the population to learn to read and write, who are not naturally incapable of doing so, and they are rather a considerable number.

In our reformatories and prisons we teach evil-doers mechanical trades, and thus change them, at the public cost, from unskilled into skilled workers. Offences are profitable to them; they are rewarded; thereby they are enabled to earn higher wages when they come out of prison. "If one has a protector he escapes from a murder with only two or three years of imprisonment. The bagnio at Rome is not a very bad place. The prisoners acquire a trade there, and on returning to their villages are not dishonored, but rather feared, which is often of utility." ("Italy," by H. Taine.) Wordly London thus imitates the prison discipline of Holy Rome, and the results are singularly alike. How extremes meet!

The table L, showing the number of fires in London, is painfully suggestive that, with increasing education and prosperity, people have become more and more careless, or worse.

Incendiarism is a crime second only to murder; in some forms our ancestors regarded it as of equal atrocity. The total of commitments for malicious offences against property of this kind, in five years ending 1866, were 804; 1862, 670; 1866, 1,231.

XII.—Conclusion.

The most elaborate statistical tables leave our knowledge of crime still uncertain. The crime which travels on to punishment is but a small part of that which comes within the first grip of the officers of justice, and

* Out of this number the Irish-born, according to the census, were 204,002, or 6.6 per cent.

that is only a fraction of the crime which is known, but passes on unheeded, even though it be murder, to which must be added that still largest part of all which is unknown, and escapes with complete impunity, it may be for years, or for ever.

The causes of crime in England are, in addition to natural depraved organization,* the carelessness of people with regard to person and property. People ought to go about armed, as in former times, to resist the ruffian; and they ought, as a part of their education, to be trained to defend themselves. When there is danger they cry "Police," who, in order to answer effectually the cry, had need be 20,000 in London alone, instead of 7,000. One ruffian disabled on the spot is more exemplary than many punished after the slow and very uncertain process of law. There is also the reluctance of people to prosecute, because they think it amiable and virtuous to forgive offenders; and further, there is the expense and trouble of prosecution, and the risk of considerable ill-treatment in the court of justice itself by barristers and others concerned in the defence. He must be a very enlightened philanthropist, or a very severe and almost malignant persons who will nowadays seek to punish an offender. Juries will hardly convict in the face of clearest evidence; and judges, partaking of the gentle tendencies of the age, pass trifling sentences quite out of all proportion to the offences;† and, when all is done, and death or some long period of penal servitude is the culprit's doom, in comes the Secretary of State, who reprieves and commutes.‡ A remarkable illustration of this was shown at the Thames Police Court, 23d February, 1868, where a man was convicted as a begging impostor, having been of course at large, although within ten years he had been sentenced to no less than twenty-three years' imprisonment—twice for forgery, once seven years, and once fourteen, and thrice liberated on a ticket of leave. This is indeed "making a scarecrow of the law;" but old birds are not frightened from their pilfering ways by such scarecrows. Whatever the punishment may be, it should be strictly carried out. Destutt Tracy says, "Les plus puissans de tout les moyens moraux, et aupres desquels les autres sont preque nuls, sont les lois répressives, et leur parfaite et entière exécution."

* Of which too little heed is taken. Dr. Gay, who brings a rare but indispensable pathological knowledge to bear upon this and kindred objects, has judiciously treated it, in the "Transactions of the Social Science Association for 1862."

† Our prison discipline itself is a satire on punishment. A troublesome jade in Holloway Gaol works ten hours' hard labor, i. e., in picking three pounds of oakum, while a poor, honest woman at Rotherhithe must pick more than six pounds to earn one shilling; and while a laborer in Sussex earns 12s. a week, a scoundrel in Woking Prison costs 21s. a week, and while detained in Newgate, he costs £2 a week, or more than a £100 a year, the salary of many hundred clergymen.

‡ Two cases of miscarriage of justice curiously illustrate the administration of the law. Pallazzini, an Italian, in 1865 was convicted on clearest evidence of the murder of one Harrington, but escaped at last on the confession of a relation, and on the evidence of a fresh batch of Italian witnesses. Francesco Giardinieri in 1866 was convicted for the murder, on equally good evidence, of a German sailor at Cardiff, but to whom a pardon was granted on condition of his leaving the country.

It is a failing of the multitude to go to extremes. Formerly the law and public opinion were needlessly severe; now they are cruelly lax, and the one error is not less cruel than the other. No cause for self-gratulation that we now practise a sentimental surgery. It is a matter of great doubt who is the more unfeeling officer in the army or navy, be he who orders 700 lashes, or he who orders none at all. Instinct under the control of reason is our unerring guide. Obedience to the four instincts of hunger, thirst, lust, resentment (the common attributes of the whole animal creation,) is virtuous, degenerating into vice only when alike intemperate, plus or minus. Respecting injuries to ourselves and others, we have been erroneously taught to allow, or manifest, no resentment towards the offender, yet whenever so righteous an instinct has been suppressed nature has been thwarted, evil-doers have flourished, and the world has been going wrong. It is the instinct—the virtuous instinct—of the whole world to impose retributive pain, for pain inflicted wilfully and criminally, just as it is the instinct of the whole world, to slake thirst with drink; no need of drunkenness therefore.* Pain should be the certain punishment for all violent offences against the person, and either pain or some ignominious punishment, as the pillory, is due to malicious offences against property, especially on living animals. In the *Statistical Journal* is a useful notice, and admirable for the courage of the writer, Dr. Mouat, wherein he says, “Flogging is found to be very reforming of the prisoners in India, and is successful in clearing the gaols,” of India (vol. xxx).

“As thou dost so shalt thou be done by.”

“It is right to deal with one’s enemy according to his wickedness.”

“Word for word and blow for blow, says (heathen) Justice when she calleth for payment.”

And in confirmation of all this, for the use of stripes so wholesome and so reforming we have not merely the highest authority by precept, but the same highest Authority, by example. We are told of One who, and not for the extremest of offences either, “made a scourge of small cords.”

* “First follow nature, and your judgment frame
By her just standard.”

is as correct a rule of law as it is of criticism. Art, jurisprudence, morals must not depart very far or wide from the canon of nature’s instincts, or the savage man will remain more virtuous than the so-called refined and civilized men.

APPENDIX.

A.—COMPARATIVE QUANTITIES OF CERTAIN ARTICLES IMPORTED INTO THE UNITED KINGDOM AND RETAINED FOR HOME USE.

[000's omitted from the quantities].

Articles	Average of 1850-52.	Average of 1850-52.	Increase in 1860-62, on 1850-52. Per cent.	1865 only.	Increase in 1865, on 1850-52. Per cent.	1866.
Oxen, bulls, cows, and calves.....No.	82,	108,	26	288,	245	....
Sheep and lambs.....	192,	311,	62	914,	376	....
Bacon and ham... .cwt.	209,	729,	250	713,	242	....
Beef.....	126,	202,	60	244,	94	....
Butter	328,	957,	196	1,084	235	....
Cheese	325,	665,	104	853,	162	....
EggsNo.	109,832,	201,110,	88	364,	281	. . .
Fish of foreign taking, ex- clusive of eels....cwt.	92,	350,	279	472,	411	....
Hops.....	2,	117,	4,753	82,	3,313	....
Lard.....	138,	351,	155	137, 1	decrease.	....
Pork	154,	178,	19	222,	45	....
Potatoes	920,	767,	17 decrease	807,	12 decrease	....
Rice	839,	2,920,	248	1,942,	131	....
Wheat.....	15,292,	31,795,	108	20,936,	36	23,109
Barley	2,946,	6,389,	117	7,818,	165	8,438
Oats	3,047,	5,277,	73	7,711,	153	8,829
Maize.....	6,505,	10,937,	68	7,087,	9	15,000
Wheat flour.. ..	4,282,	6,038,	41	3,833,	9 decrease.	4,953
Currants.....lbs.	407,	656,	61	799,	96	756
Raisins	218,	231,	29	294,	35	301
Pepper... ..	4,512,	5,186,	15	4,713,	4	....
Rum.....gals.	2,894,	3,500,	21	3,698,	28	4,127
Brandy	1,881,	1,586,	16 decrease	2,664,	42	3,120
Other foreign and colonial	39,	217,	456	370,	849	549
Tobacco, manuf'd....lbs.	202,	313,	55	325,	308	379
do unmanufactured..	27,771,	34,848,	25	33,072,	37	39,621
Wine.....gals.	6,354,	9,059,	43	11,994,	89	13,244
Coals for consumption in } metropolis.....tons. }	1851 ave 3,427,317	1861 ave 4,537,671	1863 4,479,896	1864 4,727,301	1866 ave 5,240,747	}
Price.....	16s. 7d.	19s.	18s. 2d.	20s. 1d.	20s. 4d.	....

NOTE.—Quantity increase in sixteen years, 50 per cent., price 20 per cent.

B—IMPORT AND EXPORT TRADE OF UNITED KINGDOM, HOME CONSUMPTION, AND RATIO TO POPULATION.

[000's omitted from amounts.]

	1851. £	1861. £	1862. £	1863. £	1864. £	1865. £	1866. £
Real value, imports. . .	110,485	217,435	225,717	243,919	274,952	271,135	298,392
Exports.....	74,449	125,103	123,992	146,602	160,449	165,562	188,823
Total trade.....	184,934	342,538	349,709	390,521	435,401	436,697	487,220
Proportion of total trade to population.....	6.8	11.8	12.0	13.5	14.7	14.7	16.2

Quantities of some of the Principal Articles of food retained for Home Consumption

Cocoa, lbs.....	2,978	3,408	3,622	3,712	3,862	3,806	4,607
Coffee, lbs.....	32,505	35,202	34,452	32,763	31,360	30,511	30,944
Sugar, cwt.....	6,234	8,937	9,112	9,203	8,937	9,677	10,600
Tea, lbs.....	53,949	77,928	78,794	85,183	88,599	97,835	102,325
Malt, bush ...	40,337	46,650	43,689	49,073	51,797	59,746	54,445
Spirits, gals.....	23,977	19,699	19,123	19,383	20,496	21,006	22,516

Proportion of each Article to Population.

Cocoa, lbs	0.1	0.1	0.1	0.1	0.1	0.1	0.2
Coffee, lbs.....	1.2	1.2	1.2	1.1	1.1	1.0	1.0
Sugar, cwt.....	0.2	0.3	0.3	0.3	0.3	0.3	0.4
Tea, lbs.....	2.0	2.7	2.7	2.9	3.0	3.3	3.4
Malt, bush.....	1.5	1.6	1.5	1.7	1.8	1.7	1.8
Spirits, gals....	0.9	0.7	0.7	0.7	0.7	0.7	0.7
Average price of British wheat per quarter...	£ s. d. 0.38 6	£ s. d. 0.55 4	£ s. d. 0.55 5	£ s. d. 0.44 9	£ s. d. 0.40 2	£ s. d. 0.41 10	£ s. d. 0.49 11
Gross revenue per head of population.....	2 20	2 90	2 80	2 80	2 70	2 70	2 50

C.—AMOUNT AND PROPORTION TO POPULATION OF DEPOSITS IN THE SAVINGS BANKS OF THE UNITED KINGDOM.

[000's omitted.]

Years.	Population.	Amount of deposits. £	Rate of deposits per individual. £ s. d.
1851—England and Wales.....	17,928,	27,480,	1 10 7
“ —Scotland	2,889,	1,489,	0 10 4
“ —Ireland	6,552,	1,859,	0 4 2
Total United Kingdom.....	27,369,	30,278,	1 2 2
1861—England and Wales.....	20,062,	36,856,	1 16 9
“ —Scotland	3,062,	2,538,	0 16 7
“ —Ireland	5,799,	2,153,	0 7 5
Total United Kingdom.....	28,923,	41,547,	1 8 9
1862—.....	20,228,	35,797,	1 15 5
“ —Scotland	3,079,	2,677,	0 17 5
“ —Ireland	5,799,	2,088,	0 7 2
Total United Kingdom.....	29,106,	40,562,	1 7 10
1863—England and Wales.....	26,445,	39,134,	1 18 3
“ —Scotland	3,101,	2,977,	0 19 2
“ —Ireland	5,799,	2,217,	0 7 8
Total United Kingdom.....	29,345,	44,328,	1 10 3
1864—England and Wales	20,663,	39,416,	1 18 2
“ —Scotland.....	3,118,	2,943,	0 18 11
“ —Ireland	5,799,	2,155,	0 7 5
Total United Kingdom.....	29,580,	44,514,	1 10 0
1865—England and Wales.....	20,881,	40,171,	1 18 6
“ —Scotland.....	3,136,	3,005,	0 19 2
“ —Ireland	5,799,	2,052,	0 7 1
Total United Kingdom	29,816,	45,228,	1 10 4
1866—England and Wales.....	21,100,	39,797,	1 17 2
“ —Scotland.....	3,153,	2,916,	0 18 6
“ —Ireland	5,799,	1,791,	0 6 2
Total United Kingdom.....	30,052,	44,504,	1 9 7

D.—EXPENDITURE ON EDUCATION, AND NUMBER OF CHILDREN EDUCATED IN THE UNITED KINGDOM.

Years.	Expenditure from all sources. £	Average No. of children at School.	Average cost for each Child. £ s. d.	Rate per head of population. Expen. on population. s. d.	Pro to Pop. of average School. { 1 in 46 43 26 }
1854.. England and Wales }	717,248	{ 393,555*	{ 1 11	.. 8	{ 1 in 46
“ .. Scotland..... }		{ 67,890† }			
“ .. Ireland.....	208,650	253,726	.. 16	.. 8	26
“ ..Total U'd Kingdom..	925,898	715,171	1 6	.. 8	38

1861..England and Wales }	1,664,588	{ 778,831*	{ 1 16	1 5	{ 26
" ..Scotland..... }		{ 146,104†			{ 21
" ..Ireland	806,648	284,726	1 2	1 1	20
<hr/>					
" ..Total U'd Kingdom..	1,971,206	1,204,661	1 13	1 4	24
1862..England and Wales }	1,645,129	{ 799,056*	{ 1 15	1 5	{ 25
" ..Scotland..... }		{ 143,578†			{ 21
" Ireland	812,389	284,912	1 2	1 1	20
<hr/>					
" ..Total U'd Kingdom..	1,957,518	1,233,541	1 12	1 4	24
1863..England and Wales }	1,638,462	{ 889,764*	{ 1 12	1 5	{ 24
" ..Scotland..... }		{ 169,161†	{ 1 2	1 1	{ 18
" ..Ireland.....	826,152	296,986	...	....	20
<hr/>					
" ..Total U'd Kingdom..	1,959,614	1,305,911	1 10	1 4	22
1864..England and Wales }	1,662,855	{ 854,950*	{ 1 13	1 5	{ 24
" ..Scotland..... }		{ 156,184†			{ 20
" ..Ireland.....	822,860	315,108	1 ..	1 1	18
<hr/>					
" ..Total U'd Kingdom .	1,985,715	1,326,242	1 10	1 4	22
1865..England and Wales }	1,927,208	{ 901,750*	{ 1 16	1 7	{ 28
" ..Scotland..... }		{ 155,995†			{ 20
" ..Ireland.....	826,770	811,406	1 1	1 1	19
<hr/>					
" ..Total U'd Kingdom..	2,253,978	1,369,151	1 13	1 6	22
1866..England and Wales }	1,993,657	{ 911,450*	{ 1 17	1 8	{ 23
" ..Scotland..... }		{ 170,60. †			{ 18

E.—PAUPERISM.
England and Wales.

	Population.	Number of paupers.	Per cent to population.	Cost. £	Cost per indiv. of population. s. d.
1851 (average 8 years).	17,965,000	955,227	5·8	5,085,166	5 8
1861 (average 8 years).	20,644,000	881,899	4 4	5,770,477	5 8
1863.....	20,455,000	1,079,382	5 3	6,527,036	6 4½
1864	20,663,000	1,014,978	4 9	6,428,288	6 2½
1865.....	20,581,000	951,899	4·6	6,264,961	6 ..
1866.....	21,100,0 0	916,152	4·3	6,439,517	6 1½
1867.....	21,320,000	631,000	4·4	6,959,841	6 6½

The Metropolis.

1851† (average 8 years)	.....	.....	.....	.....	.....
1860 (average 8 years).	2,802,000	91,593	3·26	883,549	5 11½
1863.....	2,802,000	99,568	3·55	858,198	6 2½
1864.....	2,802,000	99,097	3·50	876,290	6 8
1865.....	2,802,000	99,981	3 56	905,639	6 5½
1866.....	2,802,000	104,499	3 50	976,263	6 11
1867.....	2,802,000	122,454	4 37	1,175,868	8 4½

F.—NUMBER OF CRIMINAL OFFENDERS OF CERTAIN CLASSES CONVICTED IN ENGLAND AND WALES.

Offences.	Total convicted.	Increase(+) or Decrease(—) per cent. in 40 years.	Sentenced to death.	Decrease per cent. in 40 years.	Execu- ted	Trans- p r- tation-	Penal servi- tude.	Impris- onment above 1 year to 6 months.
Shooting at, stabbing, wounding, &c. :								
1817.....	26	+700	26	65	12	....	..	....
1827.....	35		35		6	....	..	....
1837... ..	41		36		..	2	..	3
1847.....	118		4		..	42	..	72
1857.....	208		9		..	11	58	180

* Including Roman Catholic School for Great Britain.
† Exclusive of Roman Catholics.
‡ No return of pauperism in these years for the metropolis alone; the statistics were then given in the ordinary county form.

Robbery:

1817.....	154	+145	{	154	94	{	19	....	..	....
1827.....	201			201			17	....	..	....
1837....	184			146			..	18	..	20
1847.....	25			9			..	186	..	90
1857	385			7			..	23	161	167

Burglary:

1817.....	374	+287	{	374	98	{	18	....	..	....
1827.....	368			368			10	....	..	....
1837.....	232			223			..	8	..	1
1847.....	346			5			..	227	..	164
1857.....	464			6			..	14	183	265

Housebreaking:

1817	152	+273	{	152	..	..	..	....	..	....
1827.....	240			240			..	....	..	....
1837.....	408			..			..	294	..	109
1847....	506			..			..	172	..	334
1857.....	568			..			..	10	171	387

Larceny in a dwelling house:

1817.....	148	+72.0	{	148	..	1	....	..	....
1827.....	228			223		4	....	..	....
1837.....	159			..		..	144	..	15
1847.....	172			..		..	75	..	97
1857.....	246			..		..	....	59	180

Simple larceny:

1817.....	6,420	-98	{	..	..	..	1,300	..	4,982
1827.....	8,358			..			1,897	..	6,293
1837.....	10,409			..			1,611	..	8,462
1847.....	12,778			..			991	..	11,569
1857*.....	5,783			..			..	783	4,846

Forgery, and uttering forged instruments;

1817.....	62	+196	{	62	..	18	....	..	....
1827.....	46			46		4	....	..	..
1837	42			..		..	31	..	11
1847.....	121			..		..	40	..	81
1857.....	134			..		..	6	80	95

G.—INDICTABLE OFFENCES COMMITTED IN ENGLAND AND WALES, SO FAR AS KNOWN TO THE POLICE; ALSO THE NUMBER OF CASES SUMMARILY DISPOSED OF UNDER THE HEAD OF "DRUNKENNESS," AND THE NUMBER AND COST OF THE POLICE.

	1857.	Average 1860-62.	1863.	1864	1865.	1866
1. No. of indictable offences known.	57,273	51,480	53,311	51,058	52,250	50,540
2 " persons apprehended.....	32,631	27,055	30,410	28,734	29,049	27,199
3. Class of known offences—						
A. Offences against the person..	2,787	2,403	2,966	2,031	2,123	2,361
B. " property with violence.....	6,471	4,598	5,433	5,022	5,160	5,064
C. Offences against property without violence.....	43,397	40,861	39,802	39,431	40,363	38,731
D. Malicious offences against property.....	406	520	762	774	669	465
E. Forgery and offences against the currency.....	2,839	1,787	1,869	1,364	1,410	1,179
F. Other offences.....	1,873	961	1,280	1,336	1,505	1,245

* Summary Jurisdiction Act passed in 1835.

4. Special offences of violence against the person, included in Class A—						
I. Murder	99	110	121	184	185	181
II. Manslaughter and murderous assault.....	799	817	998	1,088	1,102	983
III. Assaults and inflicting bodily harm.....	289	198	291	308	295	272
IV. Common assaults.....	488	156	168	214	229	207
V. Assaults on peace officers.....	369	196	311	249	228	164
VI. Rapes, and attempts at	471	497	552	598	585	579
5. Drunkenness, and drunk and disorderly, summarily determined ...	75,859	88,488	94,745	100,067	105,310	104,868
Ratio to population.....	4.7	4.6	4.8	5.0	4.9	
Number of police.....	19,187	21,445	22,622	22,849	23,250	23,728
Proportion to population of 1,000...	1.0	1.1	1.1	1.1	1.1	1.1
	£	£	£	£	£	£
Cost of the police.....	1,265,580	1,569,109	1,658,265	1,700,212	1,748,758	1,827,106

NOTE.—This table includes the metropolitan district.

H.—INDICTABLE OFFENCES COMMITTED IN THE METROPOLIS SO FAR AS KNOWN TO THE POLICE ; ALSO THE NUMBER OF CASES SUMMARILY DISPOSED OF UNDER THE HEAD OF "DRUNKENNESS," AND THE NUMBER AND COST OF THE POLICE.

	Average, 1860-62.	1863.	1864.	1865.	1866.
1. Number of indictable offences known	12,331	14,044	13,584	13,859	14,767
2. Number of persons apprehended	4,817	5,776	5,810	5,747	5,828
3. Class of known offences—					
A. Offences against the person.....	357	572	668	643	640
B. Offences against property with violence.....	479	609	585	646	657
C. Offences against property without violence.....	10,604	11,703	11,196	11,577	12,550
D. Malicious offences against property.....	28	60	43	88	48
E. Forgery and offences against the currency	682	623	582	444	411
F. Other offences.....	281	468	435	512	451
4. Special offences of violence against the person, included in Class A—					
I. Murder	8	11	14	8	9
II. Manslaughter and murderous assault.....	121	203	189	200	186
III. Assaults and inflicting bodily harm.....	5	8	2	5	35
IV. Common assaults.....	58	71	145	150	156
V. Assaults on peace officers	43	72	79	87	59
VI. Rapes, and attempts at.....	44	64	85	61	76
5. Drunkenness, and drunk and disorderly, summarily determined	19,731	19,099	19,940	21,105	20,789
Number of police (metropolitan)	7,424	7,961	8,056	8,156	8,277
Proportion to population of 1,000.....	2.9	2.9	2.9	2.9	3.0
	£	£	£	£	£
Cost of the police	566,679	611,639	626,289	659,765	685,875

J.—NUMBER OF PERSONS COMMITTED FOR TRIAL IN ENGLAND AND WALES.

					Population.	Ratio per 1,000
1848.....	No.	30,849	Average of 7 years 28,123	Average of 7 years 17,988,000	17,357,000	1.6
1849.....		27,816			17,565,000	
1850.....		26,813			17,778,000	
1851.....		27,960			17,988,000	
1852.....		27,510			18,198,000	
1853.....		27,057			18,404,000	
1854.....		29,859			18,616,000	
1855*		25,972		18,829,000	18,829,000	1.4
1856.....		19,437	Average of 7 years 18,366	Average of 7 years 19,688,000	19,042,000	0.9
1857.....		29,269			19,257,000	
1858.....		17,855			19,471,000	
1859.....		16,674			19,687,000	
1860.....		15,999			19,903,000	
1861.....		18,826			20,120,000	
1862.....		20,011			20,336,000	
1863.....		20,818	Average of 4 years 19,697	Average of 4 years 20,882,000	20,554,000	0.9
1864.....		19,506			20,772,000	
1865.....		19,614			20,991,000	
1866.....		18,849			21,210,000	

* Year of the Criminal Justices Act.

K.—FIRES AS KNOWN TO THE POLICE IN LONDON, LIVERPOOL, MANCHESTER AND DUBLIN.

	Reported to the Metropolitan Fire Brigade.	London.	Liverpool, year ending 29th Sept.	Man- chester.	Dublin.
1857.....	1,115	569	202	194	28
1858.....	1,114	608	189	174	42
1859.....	1,084	561	185	205	48
1860.....	1,056	568	241	228	32
1861.....	1,188	647	268	261	63
1862.....	1,303	660	242	206	54
1863.....	1,404	742	244	228	49
1864.....	1,487	748	206	276	43
1865.....	1,502	805	....	....	....
1866.....	1,338	661	....	....	....

Note—Average of first three years 576½, and of the last three years 738, in London.

L.—TABLE SHOWING THAT FIRES HAVE INCREASED IN LONDON IN AN UNDEE RATIO TO THE INCREASE OF POPULATION AND OF HOUSES.

In 1845 there was 1 fire to every 2,990 of population, and 1 to every 395 houses					
" 1850	"	2,673	"	"	347 "
" 1855	"	2,585	"	"	333 "
" 1860	"	2,613	"	"	335 "
" 1861	"	2,370	"	"	303 "
" 1862	"	2,133	"	"	280 "
" 1863	"	2,064	"	"	266 "
" 1864	"	1,980	"	"	255 "
" 1865	"	1,900	"	"	250 "

Note.—Increase from 1845 to 1865, nearly 50 per cent.

TABLE SHOWING THE INCREASE IN THE NUMBER OF FIRES RECORDED AS OF "SUSPICIOUS, DOUBTFUL OR UNACCOUNTED FOR" ORIGIN.

In 1852 there were 923 fires, of which 318 or 34½ per cent were "suspicious," &c.					
" 1853	"	910	"	324 " 36	"
" 1862	"	1,303	"	507 " 38	"
" 1863	"	1,401	"	501 " 36	"
" 1865	"	1,502	"	618 " 40½	"
" 1866	"	1,338	"	700 " 52½	"

Note—Average of first three years 35; after three years 43, or as 6 is to 7 1-2.

THE CULTIVATION AND PRODUCTION OF COTTON.

In view of the condition of labor in the South, both present and prospective, it is evident that, if the supply of cotton from this country is to be materially increased within the next few years, this result must be accomplished through greater carefulness and economy in the management of labor and the cultivation of the land. In a former paper we discussed the labor question; but the importance of thoroughly and properly preparing the soil is no less evident.

Before the war the upland cotton fields were year after year "cropped" under a system of superficial cultivation, and it is only because of the slow exhaustive nature of the cotton plant and the great natural fertility of the cotton belt, that these lands were not completely exhausted

long ago. Fortunately, however, the cotton fibre, which should alone be removed from the plantation on which it grows, absorbs but six and one-half pounds per acre of the mineral properties of the soil, calculating the yield at one bale to the acre. In comparison with wheat, which absorbs 17.65 pounds to the acre, potatoes, which absorb 163 pounds, or beets, which require 458 pounds of the most valuable properties of the soil, it will be seen that the amount taken up by the cotton fibre is small; but even with this slow exhaustion of these necessary mineral elements, the time has come when the use of fertilizers to restore the land to its original fertility is imperatively required. Even in the rich bottom lands, where as much as two or two and one-half bales have been raised to the acre, and with little or no cultivation, the custom of forever taking away from and never returning anything to the soil, must ultimately impoverish it. These facts are becoming more and more evident to planters throughout the South, and during the past year fertilizers have been more extensively used than ever before. On account of the peculiar properties of some of these manures, however, it is said that, during the excessively dry summer we have had, injury has resulted rather than benefit. But where this has happened, we think it may be traced to the properties of the fertilizer, and is certainly no argument against the scientific cultivation of the soil. To understand then what are the best fertilizers, requires a careful study of the nature of the cotton plant and of the manures generally in use obtainable at a price which will enable the planter to apply them freely to his land.

The requirements of cotton may, of course, be correctly determined by ascertaining what are its constituent parts. An analysis of the fibre shows that 100 pounds of cotton lint contain one and three-quarter pounds of mineral matter in the following proportions: Potash, 41.8 per cent; Lime, 19.8; Magnesia, 11.2; Chlorine, 7.8; Phosphoric Acid, 6.4; Soda, 6.1; Sulphuric Acid, 4.2; Oxide of Iron, 2.4; Silica, .3. It is evident, therefore, that manure, to be thoroughly adapted to cotton, must contain these properties in a soluble condition. The most important are potash, lime, magnesia, phosphoric and sulphuric acids, all of which are essential, and, when lacking, must be supplied to the soil. These necessary ingredients may be found most readily in the following available manures: cotton seed, natural phosphates, guano, super-phosphate, bone dust, ashes, salt, stable manure, lime, and land plaster. By far the most valuable of these is cotton seed, which contains the same mineral properties as the lint, and in much larger quantities. As there are 800 pounds of seed to 100 of the lint, the mineral matter abstracted by the plant can be returned to it through the seed, which contains the bulk of that taken up during the growth. The usual mode of preparing the seed for manure is to put

it in a water-tight basin prepared in the ground and leave it to rot in the weather. After it is thoroughly decomposed it can be used for grain, corn, or cotton, and if mixed with bone dust, gypsum, or any good mineral fertilizer, it becomes very rich. This manure is in general use through the uplands, but the modes of preparing it are often so wasteful and injurious as to deprive the planter of much of the profit and advantage that would otherwise result. Experience has proved, however, that cotton seed, mixed with bone dust, stable manure, muck, or gypsum, will greatly improve the soil and increase the yield of cotton. It is essential, also, that the planters take better care of stable manure, which is valuable on any kind of soil and for any kind of crop. The barnyard is a thing hitherto almost unknown in the South, and the rich beds of manure which the Northern farmer accumulates from year to year, are seldom or never seen on the Southern plantations. It is also essential that the black muck from the swamps shall be more generally employed. The character of the soil of the cotton belt is, in great part, light and sandy, and, with but few exceptions, needs stiffening. Many sections abound in swamps, where the richest kind of vegetable mould can be procured in unlimited quantities, and a few enterprising planters are already beginning to avail themselves of this cheap fertilizer with profit to themselves and advantage to the soil under cultivation.

Among the available mineral fertilizers, the cheapest and, in some respects, the best are the natural phosphates from the Ashley, Cooper and Wando river regions of South Carolina. The Ashley beds, which were the first discovered, are the most extensive and valuable. These deposits extend over a surface of several miles square; the strata generally lying within two feet of the surface in a light soil, and being quite accessible from their proximity to the Ashley river and the Charleston market. The analysis of these phosphates show them to contain lime, sulphuric and phosphoric acids, but no alkali, which must be supplied when used on land not already containing it in sufficient quantities. In this respect it resembles guano, and should, therefore, be mixed with other fertilizers supplying silica and potash, which are rapidly exhausted from the soil when guano is used alone. The alkali and chlorine may be imparted to the soil by the use of common salt and ashes, thus making a fertilizer as nearly perfect as possible; but owing to the present high price of salt, it is in most instances placed beyond the reach of the planter. It is possible that the lately discovered "potash-salts" of Germany will soon be introduced into this country, and as we suppose it is not covered by the tariff, it may be obtained at a price which will place them within reach of every Southern planter.

In treating of the subject of manures and fertilizers, however, it is

find the difficulties in the way of generally distributing and other commercial fertilizers throughout the country are comparatively few in number, and on view of this fact, it is necessary that lands are distant from railroads on such manure as they can obtain. Both of these have been acted, although they should be consulted by an eminent chemist, of extensive experience in the Southern States, has given it as his opinion that manure, which can be procured anywhere in the country, and by bringing it a short distance, possesses many of the qualities to improve the character and stimulate the fertility of a soil. With a proper system of drainage, thousands of acres of land which would be made available for fertilizing purposes.

Under the old system of labor existing before the war, the method of cultivation adopted was, as a general rule, wasteful and ineffective. In but few instances did the proprietors of the soil know or care much about the practical management of the plantation, preferring to leave it to irresponsible overseers, whose interest it was to get the largest possible crops with the least trouble to themselves. As a consequence, but few improvements were made in farming implements or machinery, and everything was of the most primitive and inferior description. A wretched system of surface culture was followed year after year, and the land, rapidly exhausted, was abandoned for new soil as soon as it ceased to yield profitably; Manuring was seldom resorted to; subsoil plows were unknown; and little effort was made to improve the quality of the lint by experiments with seed imported from foreign countries or procured from other sections of the South, as has been done with wheat and other cereals in the Northern States. Under the present condition of affairs, however, the necessity of economizing labor has compelled the planters to farm on very different principles, and to make the yield as large as possible from the limited acreage now under cultivation. Experience has shown that cotton, like all other products of the soil, thrives best when cultivated most carefully. All lands in which it is planted must be sub-soiled to the depth of eighteen inches, at least. By furrow planting and careful cultivation it has been found that the fruit on the plant can be largely increased. In a word, experience has shown that the size of the cotton plant and the number of pods it holds are in direct proportion to the richness of the soil and the care with which it is cultivated, and hence with our limited labor supply the extent of our crop for the next few years must depend very much upon careful cultivation.

NORTH CAROLINA BONDS.

The following information and opinions are of much interest upon the subject of the North Carolina debt. A despatch from Raleigh states :

"The public Treasurer gives notice that the interest on the bonds issued in aid of the new railroads, due April 1, will be paid on the presentation of the coupons at the Treasurer's office, or the Raleigh National Bank. He also gives notice that similar future interest will be paid at either of the same places."

In regard to this the New York *Commercial Advertiser* remarks :

A North Carolina Senator communicates the following information relative to the bonds of North Carolina known as "the Special Tax Bonds," respecting which there is some mystification in the public mind :

Section 5, article 5, Constitution State of North Carolina, ratified April, 1868, says :

Until the bonds of the State shall be at par, the General Assembly shall have no power to contract any new debt or pecuniary obligation in behalf of the State, except to supply a casual deficit, or for suppressing an invasion or insurrection, *unless it shall in the same bill lay a special tax to pay the interest annually*, and the General Assembly shall have no power to give or lend the credit of the State in aid of any person, association, or corporation, except to aid the completion of such railroads as may be unfinished at the time of the adoption of this Constitution."

At the last session of the Legislature, appropriations and amendments to the charters of the following railroads were made, to wit :

Wilmington, Charlotte, and Rutherford Railroad, Western (N. C.) Railroad, Western Railroad, and to several others ; but the above are the only ones declared by the Supreme Court of North Carolina, in July last, to be in accordance with the Constitution. The appropriations, in all amounting to some \$10,000,000, were, with the amendments to the different charters submitted to a general meeting of the stockholders of the several roads, and by them accepted, hence becoming a part and parcel of their charters, and a vested right which no future Legislature can repeal.

In each of the bills making these appropriations "*a special tax to pay the interest annually*," was levied, which levy is good and binding as a first lien on all the real and personal property of the State until the especial tax bonds are paid.

The tax levy to pay the interest on such bonds having been made under the above section of the Constitution, has no need of further legislation to pay its interest, and cannot under the Constitution, be diverted for any other purpose, while the payments of interest on the "old and new" bonds are dependent on the annual tax levy of each Legislature.

The above is briefly but correctly the reason why these bonds are called the "special tax bonds."

The *Times* (financial article) says, in reference to the same matter :

A Raleigh announcement by telegraph is to the effect that the April interest will be paid in that city on such of these "Special Tax" issues as may be in the hands of the public—the amount said to be two or three millions out of \$16,240,000 designed to be marked in New York, if practicable, to build certain new railways, in preference of \$18,049,945 including back interest, heretofore issued for the old railways and other State purposes. These latter are acknowledged to hold the same rank as a charge upon the general revenues and public faith of the State. The pretext of special tax security on the new bonds rests upon the provision of the amended Constitution requiring additional taxes to be levied by the Legislature whenever the State debt is increased. But we discover nothing more forcible in the new than in the old fundamental law for the preservation of the entire public faith. And, if the State holds \$11,241,000 stock and mortgage in the old railways (most of them anti war), which cannot be made available with the help of the ordinary State revenues to pay the interest on \$18,000,000—even after the arrearages of interest up to 1866 had been funded promise of a general resumption of payments, and the funding bonds, to the amount of \$2,189,900, now known as "New North Carolinas," sold in the New York market at 65@70 cents on the dollar—it is scarcely to be credited that new railways, some of them barely commenced, can be implicitly relied upon to help the State pay the interest on \$16,240,000—much longer, at least, than it will take to market the whole amount. We make these suggestions by way of caution to the public against buying the bonds upon the mere announcement of one or two installments of interest to be paid on a few millions already in second hands as sold for cash or exchanged for railroad iron, but in no hostility to North Carolina credit properly administered.

LABOR IN THE SOUTH.

Within the past three years the question of labor in the cotton producing States of the South has become one of great interest and importance to the entire country. In a few localities the supply is comparatively abundant, and employers are enabled to select good workmen and reject those that are incompetent or untractable; but throughout the greater part of the cotton belt it is becoming more and more difficult each year to obtain a sufficient force of field hands to work the comparatively small proportion of land now under cultivation. Instead of increasing the acreage devoted to cotton, as has been urged by Northern journals, the planters declare themselves unable to properly cultivate and gather even the crops they have planted. This is a serious condition of affairs, and one which it is the interest of the whole country to seek to relieve. Most planters, however, are looking to immigration as the solution of the difficulty, and the Chinaman is now supposed to be the "coming man" who is to solve the problem and make the whole South blossom. But it should be remembered that for years the main reliance of the South must be upon the freedmen, and the great question is, how can their labor be made most effective?

We admit that since the close of the war idleness, and the vicious habits of life engendered by it, have demoralized a large proportion of the black population and greatly impaired their usefulness as laborers; thousands have left the agricultural districts and flocked to the cities and towns, where they remain engaged in whatever occupation offers them employment; many more settle in the woods, or on small patches of land, from which they raise only enough to afford them a bare subsistence. Those remaining in the cotton fields are frequently unreliable, and attempts to control them are followed by the abandonment of their work and the violation of whatever contract they may have made with their employer. In addition to this, the women and children have abandoned field work, and cannot be induced to return to it permanently. From these causes, as well as from the alarming mortality among the blacks during and since the war, the number of laborers available for the culture of cotton has been reduced one half since 1860.

All these difficulties we admit exist; but still the fact remains that the freedmen are now the sole reliance, and must for a long time continue to be the main reliance of the South. How can the planters best use them? At present in employing field hands two systems of payments are adopted, one by giving a share of the crop, and the other by wages. Under existing circumstances neither of these plans have been found to work satisfactorily. In the share system the laborer usually receives one

half the cotton and corn he raises, provided he "finds" himself. If rations are given him his share of the crops is usually one-third or one-quarter. In some instances the laborer is given the use of a certain amount of land in consideration of his services, by which he becomes practically a tenant, paying one quarter or one-third of his crop as rent, and finding his own teams, tools and seed. In the wages system the pay is from ten to fifteen dollars per month, according to circumstances—an experienced and industrious hand being worth more than one who is ignorant or indolent. Both of these systems have, as related above, been found to work favorably only in certain instances. The payment of wages gives the planter a greater control over the daily labor of the workmen, and enables him to carry out a general system of improvement on his farm, but he gains no such control over the laborer as will secure him his assistance all through the crop season. In case of any attraction away from the plantation, or any election or other excitement, or sometimes from a simple desire to spend the wages already earned, the freedman will leave his work even at the most critical period of the season. There are, however, instances in which the wages system has been satisfactorily tried. On the plantation of Col. Lockett, of Georgia it has been found to work well; and, if the statements of correspondents are trustworthy, the results of its adoption have proved satisfactory in a remarkable degree. Col. Lockett hires his laborers by the year, and pays quarterly in currency. Field hands are classified according to the amount of work they are capable of performing, and the wage for each class is stipulated by the employer, to which is added one ration, consisting of four pounds of bacon and one peck of cornmeal to each laborer per week. We are inclined to believe, however, that the success which has attended the practical workings of the wages system in this instance is mainly due to the personal energy and executive ability of Col. Lockett, whose management of his estate evinces a degree of judgment and perception rarely manifested even by the most intelligent planters; and hence we find that under less able and energetic management, the adoption of this system has led to very different results. In fact the freedmen are not like other laborers. Their long life spent in slavery has given them their unstable characters, making them in many respects like overgrown children, caring only to supply present wants and having little thought for the future. To keep them up then to their work it has been generally found that some interest in the result of the crop was a great assistance, and hence it is our opinion, based on the results of inquiry and observation, that, in most instances, planters in the cotton belt would find it greatly to their advantage to adopt a system embodying the best features of both the systems now being tried with but

indifferent success. We believe the share system to be, on the whole, much the better of the two, but we see no reason why it should be adopted by the planters to the exclusion of the other, which unquestionably possesses some good features. By giving the laborer an interest and a pride in the crop, the share system certainly stimulates him to greater industry, increases his self-respect, develops his individuality and quickens both his mental and physical powers, helping to make him in some degree, at least, a responsible member of society. This is, above all things, the kind of education the freedmen need to make them good laborers; compel them to look into the future—not to live on the present alone—and you have at once made them provident and reliable. This system also gives the laborer the strongest of all motives to increase, improve and protect the crop by every means in his power, for his interests are identical with those of his employer; and in the end we think it will actually increase the amount of labor, as the man who is cultivating a number of acres for himself, in part, will command the services of his wife and children in case of need. In this way a large force of laborers, now withdrawn from this department of industry, will be returned to it again, and the effect be seen in fuller crops and greater prosperity.

In making contracts, however, the planter must, of course, exercise an intelligent judgment and a keen discrimination. It could in no way result to his advantage to entrust his land to the care of indolent and improvident negroes, who would be content with a bare subsistence as the result of their year's labor. Due allowance must also be made for the ignorance which is the legitimate result of their former condition, as well as for the demoralizing and intoxicating effects of a sudden elevation to their present social and political status. Whether agreeable or otherwise, the Southern people must recognize the existence of a new order of things and make themselves conformable to it. Where the planter finds his tenants ignorant, it is his duty and his interest to instruct and counsel them, and by his greater knowledge and experience teach them to farm on correct and economical principles. This may not have an immediately perceptible influence, but the good accomplished will tell powerfully in the future. More than this, a system of free schools for the children of the freedmen should be established and encouraged in every State and supported by a general school tax, as in the North. Under such instruction, and with such substantial encouragements to honest industry, the negro would soon become more intelligent, self-reliant and capable, and the labor problem would sooner or later work out its own solution.

There are, it is true, certain disadvantages in the share system that has heretofore prevented its more general adoption in the Cotton States.

The most important of these is the difficulty of carrying on the general work of the farm, such as ditching where drainage is necessary, repairing buildings, machinery, fences &c., clearing new lands and preparing it for cultivation, and other important matters incident to the proper care of a plantation, that would not belong to the laborer hired by contract to cultivate a certain number of acres on shares. For this kind of work the planter will find it for his interest to make separate arrangements, employing a number of laborers during part of the year, which leaves him free to engage, control and discharge supernumeraries as he may see fit. Thus the two systems can be made to work together advantageously and profitably, by paying the freedmen first with a smaller share in the crop than has heretofore been customary, and second with a limited amount of money per month; while the general work on the plantation, after the crops are gathered, can be kept up by continuing on wages such hands as are required for that purpose.

It is, of course, both desirable and necessary that labor in the cotton districts should be more abundant, but until it is so the planters must make the best of the present condition of affairs. Coolie labor and immigration from Europe or the Northern and Western States, may ultimately furnish an abundant supply; but these are matters of the future; at best, many years will elapse during which the labor of the blacks must be the main reliance. It is the part of wisdom, therefore, that in the organization of industry in the South, the labor of the freedmen should be treated practically, aside from any speculative theorizing over possible immigration in the future. Whether the blacks become more and more valuable each year, or whether they deteriorate in a proportionate ratio, depends mainly on whether the landed proprietors of the South are willing to accept and master the situation as they find it, or whether they prefer to devote themselves mainly to the discussion of vast schemes of immigration depending for their success on innumerable unforeseen contingencies.

BREADSTUFFS.

The present position and future prospects of our market for Breadstuffs, are subjects of unusual importance in various relations. The resources of the agricultural community and their capacity to purchase the products of our manufacturers and the goods of our importers, are involved on the one hand; while public finances are subject largely to the influence their exportation may exert upon the foreign exchanges.

It may be premised, that we have a magnificent crop of wheat, unsurpassed if ever equalled in quantity, and wholly acceptable on the average

in quality. Of Indian corn, there is undoubtedly a deficiency from the average crop of from fifteen to twenty per cent. But in proportion to the quantity grown, corn does not possess the mercantile importance of wheat. A much larger proportion is consumed or fed near where it is grown. Of course, it enters finally into the aggregate value of the products of the country. Our supply of pork, lard, bacon, &c., depends upon it, and they are largely exported. But it is, of itself, not of first importance as a "cash article." Of oats, the yield is very large and the quality good, but they are seldom exported to any extent. Rye is a fair crop, and unless maintained at a high figure by a distilling demand, in lieu of corn, it may be exported to Germany to some extent. Barley is a full crop, but not of prime quality, and will probably not be exported.

It will be seen from this brief review, that so far as foreign markets, and consequently the state of exchanges, are concerned, we are limited in our observations to the single staple of wheat.

We have, as we have said, a crop unprecedented in quantity and excellent in quality. What shall be done with it? Reducing flour to wheat, our exports for the year ending the first September may be set down at thirty million (30,000,000) bushels, against twenty-two million (22,000,000) bushels for the preceding crop year. The United Kingdom last year had a very fine crop of wheat; so that, notwithstanding the increased consumption incident to a material decline in prices and relatively high prices of roots and coarse grains, she did not import more than fifty million (50,000,000) bushels of wheat, (including flour reduced to wheat,) against about sixty-five million (65,000,000) bushels the preceding year. And yet, with this decreased importation from all points, she increased her draft upon the United States, taking from us about twenty-two million (22,000,000) bushels, as against fifteen million (15,000,000) bushels in the preceding year.

What these statistics indicate, respecting the supplies of wheat in other countries from which England has been accustomed to make good her deficiencies, must be in good part conjectured. Whether the lower prices caused growers to withhold their wheat from market, or induced such increase of consumption as to curtail the supply for export; or whether other countries competed for their surplus; or whether there was a deficiency in the growth equal to the falling off in the export to Great Britain, cannot be accurately determined. It seems probable, however, from such reports as we have been able to gather, that while England had some new competitors in buying, the yield in the aggregate was not so large as in former years, nor does it appear probable that the coming year will be any improvement on the last. If, therefore, Great Britain is to increase her supplies for the present crop year from countries other

than the United States, it must evidently be by means of a considerable advance in prices.

Great Britain admits a deficiency in her crop just gathered of 13 per cent. Her necessary importation for the next twelve months is set down as high as ten million quarters, or eighty million bushels, and is rarely stated at less than eight million quarters, or sixty four million bushels. Can she secure this large quantity at current prices? We have already stated that she took from us in the past year twenty-two million bushels. Can we send her for the current year thirty million bushels? And if we can, whence shall she draw the remaining forty million bushels, adopting seventy millions as an estimate of her needs? There is nothing in the aggregate reports of the yield on the Continent of Europe to indicate any increase of shipments to Great Britain from those markets. Indeed, occasional shipments from this market, both to the south and to the north of Europe, are a significant fact bearing upon this point.

There can be no doubt that we shall be able, without serious inconvenience, to increase our shipments to Great Britain for the coming year to the extent of eight million bushels. Its transportation to the seaboard will be an item of some consequence. Thirty million bushels to Great Britain mean about forty million bushels to all foreign markets, of which California may be reckoned upon to contribute one quarter. The whole indicates active employment for shipping, and, in connection with the export of cotton and other staples, an abundant supply of mercantile bills on the market for exchange.

The present movement of wheat and flour at the West is somewhat abnormal. Notwithstanding the admitted increase in the yield, the receipts at the lake ports, both of flour and wheat, and the quantity moving Eastward, are smaller than last year, as will be seen by reference to the statistics which we publish in our regular report of the market on another page. This is caused by the fact that the crop of spring wheat is fully twenty days later than last year, and that the movement embraced in the figures which we have printed for some three weeks or more, has been made up almost entirely of the new crop of winter wheat. As we write, however, the new spring wheat begins to move, and will soon show in our statistics.

LOUISVILLE, CINCINNATI AND LEXINGTON RAILROADS.

The Louisville, Cincinnati and Lexington Railroads, as now existing and being operated, comprise the two railroads, which together extend from Louisville to Lexington, Ky., as follows: Louisville and Frankfort Railroad, Louisville, Ky., to Frankfort, Ky., 65 miles; Lexington and Frank-

fort Railroad, Frankfort, Ky., to Lexington, Ky., 29 miles; and the Cincinnati branch, from Lagrange to Cincinnati, 81 miles, making a total of 175 miles operated.

It thus appears that while each company retains its separate organization, the two companies under the firm of the Louisville, Cincinnati and Lexington Railroads, are partners in operating the railroad between Louisville and Lexington, and joint owners of the Cincinnati branch to be built with moneys raised on their joint credit. It is easy to see that this organization is cumbrous, and would be greatly simplified by a consolidation of stocks; and the President remarks in his report that a proposition looking to this end would be submitted at the annual meeting, which it was hoped would be adopted, and the two companies be made one corporation.

The following comparative statement of the financial affairs of the two companies shows the present condition:

	Lou. & Frank.	Lex. & Frank.	Total.
Capital stock.....	\$1,109,594 40	\$514,716 02	\$1,624,310 42
Debt secured by mortgage....	188,000 00	25,000 00	213,000 00
Debt unsecured.....	74,519 50	.....	74,519 50
Total liabilities.....	\$1,872,113 90	\$539,716 02	\$1,911,829 92

The joint liabilities on account of the Cincinnati Branch are borne by the two companies, as between themselves, in the same ratio in which their profits are divided, and do not therefore constitute an element in considering the terms of consolidation.

In regard to the Cincinnati Branch the President remarks, "that the end of the fiscal year witnessed the opening of the Cincinnati line for passenger business. It was a month later before the completion of our temporary station buildings at Covington enabled us to advertise our readiness to carry freights. The total expenditures, exclusive of discounts and interest paid, is \$3,827,993 42. The Auditor's general balance-sheet indicates the mode by which these means have been provided. The item of bills payable in the sheet includes the sum of \$60,393 24 for interest yet to accrue on notes given for rails and equipment. The floating debt is provided for by the deposit as collateral security of 372 mortgage bonds and 6,517 shares of preferred stock. The larger portion of the debt for which they are pledged will not mature for nearly two years to come, so that ample time will be afforded to realize the hypothecated securities for its payment."

"The brief experience which we have had from the opening of the road to the time of writing this report is very far from discouraging. We have been carrying passengers but six weeks, and the public are just beginning to understand the advantages which we offer them. The passenger receipts for the month of August will very closely approximate, if they

do not exceed, those of the old road, which has been in successful operation for nearly twenty years. As it is only a fortnight since we advertised our readiness to carry freight, we can not be said to have had any actual experience of the business; but I may add that it is already evident that the freight traffic from the eastern end of the Lexington Line will receive large accessions from the use of the Cincinnati Branch, and that the business between Cincinnati and Louisville is beginning to develop itself very encouragingly. There can be no doubt of a steady increase of both passengers and freight even while matters remain as they are; and if, as there is every reason to hope, we shall be able next year to complete our connections at both Louisville and Cincinnati, the increase can not fail to be immediate and very great."

The earnings and expenses for the year ending June 30 were as follows:

EARNINGS FOR THREE YEARS PAST.				EXPENSES.		
	1868-9.	1867-8.	1866-7		1869.	1868
Passengers.....	\$257,553	\$277,702	\$283,812	Conducting Transp'n.....	\$71,638	\$71,619
Freight	220,398	187,247	202,187	Motive power.. ..	77,703	77,541
Express.	14,868	228,63	24,368	Maintenance of way.....	138,518	132,586
Telegraph	1,318			Maintenance of cars	42,223	33,977
Mail	9,469			General expenses	13,001	13,173
Miscellan's.....	318					
Total	\$503,871	\$493,218	\$510,819	Total.....	\$341,115	\$335,971
				Net earnings.....	\$162,726	\$157,347

GENERAL STATEMENT OF RECEIPTS AND EXPENSES FROM ALL SOURCES FOR THE YEAR ENDING JUNE 30, 1869.

Operating expenses for year.	\$311,115	Transp'n receipts for year.....	\$503,871
Construction Cincin. Branch.....	1,781,195	Sales of bond	\$512,000
Interest on bonds, etc.	170,574	Less discount.....	75,800
Dividends on pref. stock.....	52,128		435,200
Real estate.....	5,805	Sales of preferred stock.....	677,199
Paid to sundry individuals.....	78,352	Bills payable.....	544,247
Louisville & Frankfort R. R.....	74,078	Decrease of cash on hand	375,430
Lexington & Frankfort R. R.....	23,439	Dec. in stock of supplies.....	15,665
	\$2,531,688		\$2,531,688

The following table, compiled from the annual reports, shows the results of operations for a series of ten years:

Fiscal years.	Gross earnings				Car- rent ex- penses.	Net —Earnings		Ex- penses p. c.	
	Passen- gers.	Freight.	Other.	Total.		earn- ings.	per mile— Gross Net.		
1859-60.....	\$212,184	\$165,982	\$12,261	\$390,427	\$211,234	\$179,143	\$4.153	\$1,906	14.11
1860-61.....	153,897	161,304	49,654	364,855	212,408	141,947	3.775	1,510	19.90
1861-62.....	97,776	141,439	19,022	258,237	161,022	89,215	2.747	949	63.45
1862-63.....	101,899	201,132	19,198	322,229	188,272	133,937	3.428	1,425	35.43
1863-64.....	142,928	277,242	19,170	439,340	234,609	104,731	4.674	2,173	52.00
1864-65.....	374,925	204,746	29,794	609,525	411,186	118,339	6.454	2,110	67.06
1865-66.....	374,492	165,308	26,102	565,902	408,696	159,106	5.987	1,693	77.71
1866-67.....	283,813	202,188	24,358	510,359	157,102	113,217	5.429	1,900	71.10
1867-68.....	277,703	187,248	23,268	488,219	335,972	157,247	5.340	1,673	69.14
1868-69.....	257,553	220,398	25,919	503,871	341,115	162,726	5.360	1,731	67.63
Average.....	\$118,447	\$188,892	\$18,763	\$326,102	\$200,291	\$160,720	\$4.478	\$1,709	61.81

The financial condition of the Company at the close of the last two years ending June 30, 1868 and 1869, is shown in the following abstract from the general account:

	1868.	1869.
Preferred stock, 9 per cent.....	\$211,121	\$242,315
First mortgage bonds, 6 per cent, due 1897.....	2,116,000	2,623,000
Reservation on contracts.....	101,340	.....
Due other companies	242	623
Bills payable for rails, &c.....	449,314	1,013,002
Unpaid coupons.....	12,110	4,625
Unpaid dividends.....	7,573	4,458
Due sundry individuals.....	1,230	2,152
Balance to credit of income account.....	95,273	155,116
Total.....	\$2,995,845	\$4,633,351

Per contra, the following charges :

Cincinnati Branch.....	\$2,107,198	3,827,998
Discount on bonds	817,400	894,200
Interest on bonds.....	71,691	242,265
Dividend on preferred stock.....		62,128
Total construction account.....	\$2,496,289	\$4,576,985
Due from sundry individuals	26,898	19,087
Real estate.....	23,250	29,055
Stock of supplies for current operations.....	59,456	48,770
Cash on hand.....	389,952	14,502
Total	\$2,995,945	\$4,683,351

BRIDGING THE MISSISSIPPI AND THE DEVELOPMENT OF OUR INTERNAL COMMERCE.

On the 7th inst. an important convention was held at Keokuk, Iowa. The call invited all the States and communities of the Mississippi Valley, who desired to see the Great River and its branches freed from the fetters, natural or artificial, that obstruct its navigation or retard its commerce, to be represented by delegates. It was understood that the Convention, in addition to affirming the necessity of government appropriations for freeing the water way and deepening the channel of the rivers designated, professed also to take action with regard to the bridges which railroad companies have constructed over these great western water courses. The leading purpose was to free the Mississippi and to utilize, in the highest degree, the splendid natural lines of communication which are found in our western States, connecting communities removed from each other by many degrees of longitude or latitude. It represented another effort in the contest for the transportation of products which is in progress between the railroads and the water routes.

So far as the question of bridging navigable rivers is concerned, the point is settled by our highest courts. The old doctrine of the Common Law, whose roots are found far back in the history of the people from which we largely derive our law and our tradition, threw its amplest protection around the lines of natural communication. Rivers, and bays and estuaries were sacred, and the iron rule of prescription came in to ratify what the law had conceded. With the growth of new interests, the demands of an expanding commerce, the competition of new methods of transportation, there was inevitably to be a conflict between these ancient rights and claims and the exactions of the new method. The contest was confined to the courts, and out of dangerous litigation came the safe compromise on which the modern relation of steam by land and steam or sail by water is adjusted. The navigable river is bridged, but the bridge must sufficiently clear the main water way and must offer no insuperable or difficult obstacle to navigation. The question of bridging the Ohio, the

Susquehanna, the Hudson, the Mississippi, the Missouri, is not local. It rises to national importance. In the great sweep of the leading railroad lines, they comprehend the traffic of a continent. They are no longer for a State or for a section of a State; the seaboard cities and the growing towns of the interior being all vitally interested in the crossing of the great rivers, for thereby time is saved, money is saved, the farmer has higher prices, the great commercial houses have quicker returns, products are cheapened to the consumer, emigration is encouraged, the whole country is compacted and so bound by iron bands that a common interest pervades every part. So great has the importance of these bridges become that the value of the commerce which crosses a single one on the Mississippi river is stated to be in excess of all the commerce moved on the waters both of the Ohio and the Mississippi. Commerce cannot delay while the water rises when navigation is low, nor can it wait shivering upon the bank while the icy barrier of nature melts away. The true interest of East and West—the amplest development of the whole country demands that railroads shall have as free passage over our rivers as the claims of the river commerce will allow. Last of all will it admit of any unnecessary exaction or of any obstacles that shall thwart the great design. Every bridge is a triumph over a natural difficulty.

From the Committee of the Convention, two reports on the bridge question were submitted. The majority report was adopted. It included a bill to be presented to the next Congress, of which the important sections are as follows :

That any bridges hereafter erected across the Ohio river shall be made with continuous and unbroken spans, and the span across the main low water channel shall not be at a less elevation than ninety feet above low water mark, nor less than forty feet above the extreme high water mark, as understood at the point of location. Measures for such elevation shall be taken at the bottom chord of the bridge. All the spans, other than the one over the main low water channel, shall be at least 300 feet in length in the clear, and the span covering the main low water channel of the river shall be of such length as to leave at least 400 feet of unobstructed passage way for navigation at all stages.

That any bridge built under the provisions of this act shall be located in such places and in such manner as to be at right angles with the direction of the current in the main channel of the river at all stages, so that the piers of said bridge may be always parallel to the current in the main channel, and the location of the bridge shall always be such that the current of the main channel shall move in a straight line from a point at least 1,000 feet above the bridge to a point 500 feet below the bridge, and no rip rap or other material shall be placed round the base of the piers or abutments to compensate for inadequate foundations, which material shall contract the passage way hereinbefore provided or which shall injuriously affect the regimen of the river.

That all bridges hereafter to be built on the Mississippi, below the mouth of the Missouri, shall be constructed under the foregoing conditions and restrictions, with the exception that the main span shall be at least five hundred feet in the clear.

That all bridges hereafter built on the Missouri river and Mississippi river, above the mouth of the Missouri, shall be built under the foregoing conditions and restrictions, with the following exceptions, viz.: If constructed with continuous spans, said bridge shall have one span over the main channel of not less than 300 feet clear

water way, and the bottom chord of said bridge shall not be less than fifty feet above extreme high water mark, and if built as a draw bridge, it may be constructed with a pivot or counterbalance draw over the main channel of not less than 300 feet of clear water, and that the draw shall be promptly opened upon signal, that no delay be caused to any steamboat or barge, tow or other craft.

That the right to alter or amend this act so as to prevent or remove all material obstructions to the navigation of said river by the construction of bridges is hereby reserved.

Another clause provided for the reference of plans for bridges to the Secretary of War and the designation by him of a board of officers to examine the plan.

The objection to this bill is that the span required is of too great a length. In the case of the span where the revolving draw would be, some seven or eight hundred feet of continuous span supported at the centre would be required. The height, too, above the water way would be excessive where the river banks did not offer a suitable elevation. It is not probable that Congress will look at this matter precisely as the Convention, which was largely composed of river men, regarded it, and as we have shown before, the highest interests of the whole country require a large and comprehensive plan in accordance with the era of progress and development upon which we have entered.

So far as the Convention evinced a disposition to enter upon a scheme for expanding the commerce of the Mississippi and its tributaries, it meets the approval of all who are interested in the growth of the country. Action of this kind was taken, and a report and resolutions upon the subject submitted and adopted, with the following estimate showing the cost of improving the rapids of the Mississippi :

Des Moines Rapids.....	\$1,479,647
Rock Island Rapids.....	811,601
Upper Mississippi, estimates by General G. K. Warren.....	334,485
Mouth of the Mississippi, estimate by General McAllister..	875,000
Removal of snags and wrecks and dredging.....	1,050,000
Ohio River, Falls of the Ohio, estimates by General Godfrey Weitzel—Extension of old canal.....	933,500
New canal, Indiana shore.....	3,471,007
Two dams.....	225,000
Total.....	\$8,678,218
Above the falls, W. Milner Roberts' estimates.....	473,000
Below the falls, W. Milner Roberts.....	383,000
Grand total.....	\$9,534,218

The resolutions asked for the completion of the improvements at Des Moines, at Rock Island and at the Falls of the Ohio, and also asked Congress for further expenditure on the improvements in progress at the Balize, the removal of snags and sand bars on the Lower Mississippi, the Arkansas and the Missouri Rivers, and of obstructions in the Ohio, Illinois, Tennessee and Red Rivers.

Whether Congress will consider it a fit moment for furnishing the necessary funds is of course questionable. The growth and development

however of the immense region drained by the Mississippi and its tributaries is of the highest importance. Here is a population of nearly 20,000,000 of souls. In 1865 the total value of the grain crop of the United States, as estimated by the Commissioner of Agriculture, was \$1,118,904,376, in which estimate the crop of Illinois, Missouri, Iowa, and Wisconsin, having less than one-sixth of the population of the Union, is put down at one-third of the whole crop, or \$391,596,000. To these returns add the increased product of the same States since that date and the product of Kansas, Nebraska, and large portions of Ohio and Indiana, add Kentucky and the States below the mouth of the Ohio and the imagination finds it difficult to conceive the reality. Here are 13,000 miles of navigable river; improve the facilities of this navigation, lower the rates of charges, and the business now done would necessarily be largely increased.

We thus see that as the country grows there is enough traffic for all routes. The mad competition of business interests adjusts itself, so that the wants of the community are regularly met, and with a uniformity that is susceptible of calculation. The natural conflict of rival interests must be peaceful and their settlement must be upon broad, comprehensive principles. The Keokuk Convention does good, for it stimulates enterprise and promotes development. The opposing forces that are represented in such bodies learn to estimate each other more truly, and compromise and adjustment dull the edge of competition, whose hot and earnest zeal is ever seeking new fields for its exercise.

RAILROAD PROGRESS.

Between the Atlantic and Pacific coasts three great mountain ranges and one of the largest rivers of the world intervene; no small portion of the interior is an undeveloped wilderness. These formidable obstructions paralyzed progress for a long time, so that the whole district was wholly shut out from the seaboard. This was the exact position of affairs previous to the opening of the New York Canal in 1825. The West was then unsettled in the proper meaning of the term. Now, however, the engineer has leveled the mountains and spanned the stream, so that the traveler can at present leave Portland, in Maine, and reach the Pacific in less than ten days thereafter. Many now living considered it the extent of speed to travel from New York to Buffalo in the same time. Before the canal was dug a ton of wheat in Buffalo was commercially worthless in New York, the cost of transportation to the latter port then being \$100 per ton. The same service is now obtained for a comparatively trifling addition to the prime cost at the port of supply.

This great revolution has been effected by the combined agency of canal and railroad. In all countries into which these powers have been introduced the same results have been gained, commerce, agriculture and manufactures having thus attained proportions surpassing the dreams of the slow races of old.

In no country, however, were these means more necessary or have they been more perseveringly pressed into service than in the United States. In the older countries, the mileage of canal and railroad is, indeed, in greater proportion to the extent of the country and population than in America. But in the magnitude of the works constructed and in their bearings on the commerce of the world, those of the United States present a proof of enterprise unequalled. At the commencement of the current year, there were in the United States 42,255 miles of railroad. In all other parts of the world the mileage aggregated only 56,930 miles. It thus appears that the United States has $42\frac{1}{2}$ per cent of all the miles of railroad in existence at present.

Yet this proportion is rapidly gaining, and before the year closes we shall certainly have at least 50,000 miles of iron-way. In whatever direction we go we find the people at work laying the foundations for future railroads. In Illinois at least a dozen lines are in progress, and the same may be said of Indiana, Michigan, Iowa and Missouri. Never before was such activity exhibited in this direction. Undoubtedly the completion of the first trans-Continental Railroad has stimulated States and associated capital to action, and the final result must be an enlarged internal commerce, with increased prosperity. When the Northern and Southern Pacific Railroads are completed other enterprises will succeed and become as necessary to them as arteries and veins are to animal existence.

In proof of the present activity in railroad construction, it is only necessary to recite a few facts, which will show that on an average each State of the Union has in progress at least seven or eight separate enterprises. Maine is now building eight railroads, New Hampshire, four; Vermont, six; Massachusetts, five; Rhode Island (?); Connecticut, seven; New York, eleven; New Jersey, seven; Pennsylvania, thirty-two; Delaware, five; Maryland, seven; West Virginia, one, the Chesapeake and Ohio, and probably others; Ohio, at least a dozen; Indiana, Illinois and Michigan, each about the same number; Wisconsin, five; Minnesota seven; Iowa and Missouri, each a dozen; Nebraska, two or three; Kansas, nine; Arkansas, three; Texas, three or four; Louisiana, four; Mississippi, three; Alabama, six, and in the Southern Atlantic States, there are at least twenty great works on which progress is being made with unparalleled rapidity. In a short resumé it is impossible even to

name these enterprises; but any one acquainted with facts as they really exist, will readily admit that our estimates are moderate, and that we have now under construction at least 300 separate lines. Startling as this assertion may appear, it is nevertheless an incontrovertible fact. Many of these are hundreds of miles in length, and probably the average length is not less than 50 miles. This calculation gives a total of 15,000 miles as the length of railroad now in progress, and which will be completed within the next three years.

To the facts here related, and the raising of the necessary funds for carrying forward these projects, may be attributed in great part the spasms in the money market during late months, but we shall discuss this more at large on a future occasion.

RAILROAD EARNINGS FOR AUGUST AND FOR THE NINE MONTHS FROM JANUARY 1 TO SEPTEMBER 1.

Our usual table of monthly railroad earnings is now complete and given below.

It will be observed on reference to the table following, that there is now for the first time since the beginning of the year a decided decrease in the earnings of several of the principal roads for the month, compared with the same month in 1868. The monthly statements have heretofore shown an almost uniform increase over the corresponding months of the previous year, and there seem to be special reasons, why this steady improvement has given place in the month of August, to a falling off in earnings compared with August 1868.

There have been two principal causes for this decrease in earnings: first, the ruinous competition in freights among the several through lines to the West, which has carried prices of transportation down to figures which did not pay the cost of the service; and, secondly, the smaller grain movement at the West in August, which has had an important effect upon the traffic of the Western roads. These causes are evidently temporary, as the freight war can not be long continued, and the grain crop at the West is large and must come to market sooner or later.

In the case of the Chicago and Northwestern road, which shows a very considerable decrease in earnings, there has been the additional circumstance, that, with the completion of the Union Pacific Road, the transportation of material for construction has ceased, and as immense quantities of that material were carried over the Northwest roads, a very large item of the freight traffic of the latter in 1868 has been discontinued.

As regards the report of the Chicago and Rock Island Road for August, 1868, the figures issued from the office, for comparison, are \$478,-

660, while the total earnings for August, 1868, as published officially in the last annual report, were \$568,880, we assume that the official figures must be correct, and therefore use them in the table below.

Of the Lake Shore and Michigan Southern Railway earnings two statements are published, one in a Chicago paper as follows:

“The comparative earnings for the month of August were:

(ERIE TO CHICAGO.)

	1869.	1868.
Passengers.....	\$292,493 22	\$303,620 07
Freight	497,193 49	478,857 06
Miscellaneous.....	48,120 77	41,400 00
Total... ..	\$837,807 48	\$823,877 13

—The other, published in New York, gives the figures for 1868, as \$971,772. This discrepancy probably arises from some confusion in reports incident to the late consolidation; and we take the Chicago statement, as it is given in detail and therefore less likely to be erroneous.

The Cleveland, Columbus, Cincinnati and Indianapolis Company now report their earnings for the first time.

EARNINGS FOR AUGUST.

	1869.	1868.	Inc.	Dec.
Chicago & Alton.....	\$501,656	\$558,100	\$....	\$56,444
Chicago & Northwestern	1,032,413	1,251,940	....	219,527
Chicago, Rock Island & Pacific.....	480,601	568,880	....	88,279
Cleveland, Col., Cinn & Indianapolis.....	341,788	271,423	70,365	....
Illinois Central	790,828	763,779	26,549	....
Lake Shore & Michigan Southern.....	888,777	837,827	950	....
Marietta & Cincinnati	129,883	126,156	2,627	....
Michigan Central.. ..	858,569	892,942	....	34,373
Milwaukee & St. Paul.....	525,863	522,683	2,680	....
Ohio & Mississippi.....	275,220	267,557	....	12,837
St. Louis, Alton & Terre Haute	178,528	201,596	..	26,068
Toledo, Wabash & Western.....	450,248	484,208	....	33,960
	\$5,898,581	\$6,267,753	\$108,869	\$474,781

The total earnings for the nine months from January 1 to August 31, for the current and previous years were as follows; the Lake Shore and Michigan Southern Road is necessarily omitted, as no comparison with the previous year can be made since the consolidation:

EARNINGS FROM JANUARY 1 TO AUGUST 31.

	1869.	1868.	Inc.	Dec.
Chicago and Alton.....	\$2,932,028	\$2,747,430	\$214,598	....
Chicago & Northwestern	8,668,294	8,194,903	473,391	....
Chicago, Rock Island & Pacific	3,251,809	2,797,844	453,965	....
Illinois Central....	5,219,702	4,649,145	570,557	....
Marietta & Cincinnati.....	876,832	800,952	75,880	....
Michigan Central.....	2,961,884	2,799,524	162,360	....
Milwaukee & St. Paul.....	4,087,702	3,490,849	657,862	....
Ohio & Mississippi.....	1,741,718	1,856,091	....	123,318
St. Louis, Alton & Terre Haute.....	1,242,478	1,185,074	57,404	....
Toledo, Wabash & Western.....	2,630,830	2,410,386	225,444	....
Total.....	\$33,618,332	\$30,830,689	\$2,890,961	\$123,818

* Erie to Chicago.

CURRENCY—RESUMPTION.

BY VICTOR CONSIDERANT.

In 1839, Russia suffered, as the United States is now suffering, from the evils of a depreciated and unstable paper currency, the value of which, as compared with specie, was as 350 to 100; that is, it required 3½ paper roubles to buy one of specie. Notwithstanding this great depreciation, Russia effected a reform in her debased currency, returning to a regular and fixed monetary system in twenty-four hours, and that without wronging any one in or out of the Empire. This is a fact of history. To effect this financial operation, Russia was obliged to borrow ten or twelve million dollars in specie of the Bank of France. The government of the United States has had for two years past, from six to eight times that amount lying idle in its vaults; and during all this time, with all the discussions on resumption, nothing has been accomplished, and no one single point has been agreed upon. I will not undertake to criticise the financial wisdom of the American people: but I, as an adopted citizen—which authorizes me to speak as one of the people—must confess that we have shown no great wisdom in this particular conjuncture.

The present currency is a scourge. It operates as a monetary disease, affecting all the commercial and industrial interests of the country. The whole economic mechanism is subject to the greatest uncertainty. No one can foresee what will be the result in four, six, or eight months, of investments made to-day, or of enterprises undertaken. And no safe calculations can be made without stability and fixedness in the unit of value called the dollar. If the dollar is not a fixed value, no one can know what real value a given amount of capital will represent six months hence. I may realize an apparent profit on my investments, or from my business, but it may turn out to be a loss instead of a gain.

Owing to this instability of the money value, which measures all others—an instability which prevents any one foreseeing what \$100 will be worth in six months, or even six weeks—regular business suffers, while a wide field is thrown open to speculation, and financial and commercial gambling.

The sole remedy is the return to a regular and stable monetary system. Let the example of Russia be followed, unless something better can be done. Can anything better be done? I answer, Yes; and something far better. As we can improve on her processes, I will not enter into an explanation of them.

I affirm that by a simple act of Congress the following results may be obtained: 1. Return without wronging any interest to a regular monetary system; that is to say, to a fixed and stable currency. 2. Effect a

beneficent reform, which will economize, and hence save to the country the expense of the hundreds of millions of gold and silver which it would be necessary to use to return to and re-establish the specie currency.

If it could be clearly demonstrated to our legislators that the greenback dollar could be raised in value to that of the specie dollar, or to par, and maintained invariably at this value, provided that they, on their side, would pass a law abolishing the use of gold and silver, as a currency, and the circulation of these metals as money, I ask, would they consent to such a measure and take the initiative in a fundamental monetary reform?

Let us remark that if the country, wishing to return to a regular and stable currency, imagine that it is necessary to go back to the old specie money, this fancy will cost it the several hundreds of millions of gold and silver which it will be necessary for the metallic currency that is to replace the greenback circulation. It is hardly probable that it will return to the old State Bank system, with its alternately expanding and contracting issues of paper money, so that but three alternatives are open before it; 1. To retain the present greenback currency as it is, with its fluctuations. 2. To return to a pure metallic currency. 3. To discover some new principle on which to base the national currency, and adopt it. It is this latter alternative which I propose, and I explain the principle which is to serve as a basis for it:

It would require at least \$600,000,000 in gold and silver to establish a specie currency. How is this vast sum to be obtained but by taxation, by adding new burdens to those already imposed on the people? If a dollar of the currency I propose will always be worth a dollar in gold, in what respect is a bit of metal preferable—to effect the exchange of values—to paper? I will remark here that the material for the new currency will be paper; it is easy to handle and costs nothing. Externally, this currency will resemble the greenbacks; but, based as it will be on a different principle, it will be intrinsically a new and different monetary system. For the purpose of a circulating medium, the metals are far inferior to paper; this is so well known that it is unnecessary to dwell upon it.

If then, the permanency in value of the paper dollar can be secured, there can be no objection whatever to using paper as the material out of which to make the national currency. To attain the great end in view—namely, to create a fixed and stable currency, using the cheapest and best material—Congress has but to pass the following law, comprising three articles: 1st. Hereafter, gold and silver will not be used for money; and coin made of these metals will not be recognized as a legal tender. The national currency will be of paper (or any cheaper and better material that

can be discovered) 2d. The National Government will alone create and issue the currency of the country. No individual or corporation will be permitted to create or issue a circulating medium, or any representative of it, like our bank notes. 3d. The Secretary of the Treasury will at all times, first, deliver to any person wishing the national currency a dollar of the same, on his depositing 23 8-10 Troy grains of gold (the amount now contained in a dollar) or its equivalent in silver; second, withdraw from circulation an amount of national currency necessary to keep it at all times at par—that is, diminish it whenever the metals rise in value above the point fixed as their standard price.

If this simple law is passed, a monetary reform will be effected, and a regular and stable currency will be established. The country will be delivered from the evils of an ever-fluctuating and uncertain circulating medium—in other words, from a measure of value which has no fixedness of value of its own. As soon as this law is promulgated, and gold, in consequence, is refused at the Custom House and in payment of all national dues—the issues of the national currency being in the hands of the Government alone, and withdrawn from the banks—it would at once rise in value, and the dollar would attain to par for 23 8-10 Troy grains of gold, at which point it could be maintained with very slight fluctuations.

There is a question which will probably be asked by the reader, and which I must answer before going further; “How is it that you take gold as the standard of value of your currency, and the regulating principle of its issues, and yet reject it as a circulating medium? This appears a strange anomaly.” I answer: There must be some standard and guide by which to regulate the issues of the new currency—of the amount to be put and kept in circulation. A paper currency can be increased indefinitely in amount; there is nothing to prevent it, as there is with gold; while the wisdom of legislators, however great, cannot determine so complex a question as the amount of currency to be issued and kept in circulation. As a consequence, some product or article which is universally in demand, and the value of which does not fluctuate, or at least but slightly, must be taken and used as this standard and guide. Gold is the article. Iron or lead, wheat or cotton, would answer the same purpose, provided they existed permanently in nearly the same quantities, and there was the same uniform demand for them as for gold over the earth, so that their value was everywhere as regular and stable. If too much currency were put in circulation, gold would rise in price, as do all articles—flour, cotton, land, &c—but more promptly, as it feels at once all change in the market. The rise, even of $\frac{1}{2}$ per 100, would be an indication to the Secretary of the Treasury to contract. On the other hand, if too little currency were in circulation, the price of gold would fall below the

par value of the same, which would indicate the necessity of increasing the currency. By this means, instead of using vast quantities of the most expensive metals for a circulating medium, the same result could be obtained by taking its value in the markets of the country, and using it as a gauge and indicator—as a standard to which to conform.

The economic principle on which this reform is based, may be comprehended by any market-man. He knows that the scarcity of any product in the market renders it dear, while its abundance causes it to fall in price. He can deduce the conclusion that if some one can monopolize and hold any one product, he can raise or lower its price at will, and as a consequence, regulate and fix it at any given point he pleases. Now, under the power conferred by the above law, the Government, being alone invested with the right of creating and issuing the currency, is in the position of the monopolist of some product. The Government can regulate the currency at will, expanding or contracting it, and in so doing, raise or lower the price of all things, gold included. It could make one dollar in paper worth two in gold—that is worth 47 6-10 Troy grains of this metal, or it could make it worth but fifty cents in gold. To do this, it would, in the former case, have only to contract the currency one-half, and in the latter to double it.

To form a clear idea on the subject, let us suppose that the business of this country requires a circulating medium of five hundred millions, and that this amount of currency is in circulation. In this case, the dollar of currency will be at par; that is, will be worth, or will buy, 23 8-10 Troy grains of gold. Now, if the amount is increased or diminished, the currency will rise or fall. If increased five millions, it will fall 1 per 100; if diminished, five millions, it will rise 1 per 100. This will be the inevitable effect of expansion and contraction.

The Government can, consequently, regulate the value of the currency by determining the amount put in circulation; and hence, can secure the regularity and stability of the value of its dollar, or the monetary unit. If the business of the country requires more money than there is in circulation, the paper dollar will begin to be worth more than the amount of gold fixed as its legal value. As an effect gold and silver bullion will flow into the Treasury to be exchanged for currency. The difference in price being in favor of the latter, bullion will be exchanged for it, exactly as it now is for coined money at the mints. If on the other hand, a falling off in the business of the country requires less currency, causing it to decline below par—there being a redundancy—the percentage of the decline would indicate infallibly to the Treasury the amount of currency which it should withdraw from circulation in order to bring it up again to par and maintain it there.

Gold and silver are, under absolute and despotic Governments, the best materials for a currency, and for the reason that the employment of these metals prevents kings and other rulers from increasing or diminishing arbitrarily the amount of currency in circulation, and thereby debasing it, and taking from it its stability and fixedness. Gold and silver furnished by nature, take from absolute rulers the power of creating money, and leave them only that of coining it—of putting the Government stamp upon it.

When the opinions and business habits of a nation require that money should have an intrinsic value in itself (which is the case with gold and silver which are valuable metals), kings and princes are restrained from creating a currency out of materials of no or very little value. Coinage is not the creation of a monetary value, but the authentication simply of the weight and alloy of the metals used—that is of the intrinsic value of the piece of gold or silver of which the money is made. By this means, the monetary value of the currency is combined with the material of which it is composed, and finds in its metallic substance the measure of its value.

It is easy to see that the guaranty thus offered to the people against the rapacity of rulers is based wholly on the principle of the equality of the cost of money with its value. But, so soon as a people is free, and has the wisdom requisite to govern itself, who should it pay the cost of this guaranty—a guaranty against itself—of which there is no longer any need! To continue to employ, under such circumstances, a currency which costs the entire value it represents, can only be the effect of the influence of old ideas, the falseness of which has not been discovered and exploded, and which, in consequence are retained. When a people governs itself, all it has to do is to acquire knowledge sufficient to adapt its laws and institutions to its true interests. If, instead of employing for its currency a material as cheap as paper, and which is more convenient than gold or silver, it keeps in the rut of routine, and uses those expensive metals, it confesses tacitly its ignorance in economic matters. The American people will be rightly accused of this ignorance, if, with the experience it has had in the greenback currency, it does not comprehend the theory of a cheap circulating medium, made of paper, and based on principles which will secure entire stability and regularity to it.

“Agreed, it may be said; let us accept the idea of a cheap national currency, costing, so to say, nothing, which is kept at par and its stability secured. The sudden return to such a currency, however desirable in itself, would be a severe blow to all having debts, contracted under the old system to pay.” I answer: Nothing is more true; but what would prevent the introduction of a clause into the law which would protect the

interests of debtors and serve the cause of strict justice? When Russia bridged over the gulf which separated the paper from the silver rouble—the difference between 350 and 100—she decreed that all debts anteriorly contracted should be paid at their real, not nominal, value—that is, in paper, not silver, roubles. The United States could follow the same policy. All debts contracted in Greenbacks prior to the passage of the law in question would be paid in Greenbacks, or their average value during the year preceding the passage of the law. No one could complain of the equity of such a provision.

As regards financial reform, and a true financial policy, the American mind has been led astray by a false conception of the meaning of a single word—the word Dollar. The word, in its old, its true and exact meaning, expressed the value of a certain amount of gold (that contained in a dollar). The Dollar signified, and still signifies this, and nothing more. At the present day, the American people have contracted, by the use of greenbacks, the habit of giving the name Dollar to the value of a constantly fluctuating piece of paper, which has never been a Dollar, and never will be one until it is brought up to par with gold: that is, is made worth 23 8-10 Troy grains of gold, and kept there.

If this distinction had been clearly established between a name and a thing, much of the confusion which reigns in the public mind on currency questions would have been prevented. It would have been said: "If Congress by wise legislation could bring the country back from a currency worth but about 75 per 100 of gold, to one at par, making a greenback dollar worth a real dollar, natural debts contracted in greenbacks should be paid at the value of greenbacks, that is, three real dollars would pay four greenback dollars. The same principle would regulate the payment of our National Debt, and put an end to the controversies respecting its payment in gold or in greenbacks."

Whatever may be the terms of the law relating to the loans contracted by the United States, it is clear that whenever the Government sold a bond of \$1,000, with the stipulation of its payment at maturity, it was 1,000 dollars that it expected to pay, promised to pay, and, in common honesty, is bound to pay. Whether the \$1,000 are made of gold, of paper, or of any other substance, is of no consequence. The essential point is that the value which it is to give to pay off a bond of \$1,000 be really 1,000 dollars. The material, no more than the name of the thing to be given to settle the contract, is of any legal importance; the legality consists in the value of the thing given. When a dollar is promised, a dollar must be paid, whether made of gold, silver, or paper. There is no alternative between this and a breach of faith.

It is a piece of knavery to pretend that the National Debt can be

justly paid in a depreciated currency—in greenbacks, which may not be worth 50 cents on the dollar—under the pretext that the greenback bears on its face the word dollar, printed in large letters. On the other hand, it is sheer nonsense to oppose the payment of a debt in a national paper currency, provided the currency is raised to, and kept at, the standard value of specie.

Another fallacy is to suppose that the monetary capital or monetary total of a country can be increased by new emissions of currency. Let us suppose that the amount in circulation is such that the paper dollar answers to its name, and is worth a dollar. If, under such circumstances, the amount of currency is doubled, the prices of things will augment until they are doubled; or, in other words, the paper dollar will cease to be a dollar, and fall really to the value of fifty cents. It is consequently impossible to increase, by new issues of currency, the real value and volume of the monetary capital, and the effectual means of facilitating the exchange of products.

It must be clearly understood, once for all, that the monetary unit—called with us a dollar, in France a franc, in Prussia a thaler—will always be worth the value of the labor or effort which, on an average, it costs to obtain it; and that by doubling, trebling or quadrupling the amount of circulating medium, the real value of the monetary circulation—of what is the dollar, franc, or thaler—cannot be increased in like proportion. On the contrary, the value of the monetary unit will be reduced in proportion to the increase of the currency.

Until these elementary and simple truths are understood and admitted as the basis of the monetary question, the theory of the science of money, in its application to the present industrial and commercial state of society, cannot be comprehended. Before leaving my adopted country, I hold it to be a duty which I owe to it—to the noble pioneer in political justice, equality and liberty on the earth—to present briefly what I believe to be the primary principles of a true monetary system, and the means by which—transforming its greenback currency into a permanent money—it will secure for itself a stable currency, and liquidate so much of its national debt as is represented by its greenbacks.

The leading points to be borne in mind are: 1. That a paper currency, resting on a true basis, is the best circulating medium for a free people who possess the capacity of self-government. 2. That nothing is easier than to fix the value of the paper dollar and maintain it at par value with specie. 3. That there is for the people of the United States a saving or a gain of \$500,000,000 or \$600,000,000 to be made, and at the outset, by adopting the reform proposed.

On these three points I challenge contradiction. If any one will undertake to invalidate the second point—which, if sustained, sustains the other two—I stand ready to reply.

P. S.—Some friends, to whom I have read the above, have said : “You lose your time ; nothing will be done as regards the currency. The public is satisfied with the greenback ; it answers the purpose of a circulating medium very well ; it is not the greenback that varies when it appears to fall in comparison with gold ; it is gold, which the wants of foreign trade, or manœuvres of the Exchange, cause to fluctuate ; the price of things is not affected thereby. No desire is felt to bring paper up to the price of the old dollar, and there are powerful interests involved which are entirely opposed to any such policy.”

Well, agreed. It is not absolutely necessary to bring the paper dollar back to the value of the old dollar to raise it to par. Let us leave it as it is, provided its present value is adopted and is maintained fixedly at its actual rate, say 100-133, or about three-quarters of its former value. If gold and silver are, once for all, set aside as money, reduced to the rank of ordinary metals, and left to be dealt with as such ; if the privilege of creating or issuing money is taken from all corporations and individuals, and reserved exclusively to the Government ; and if the value of the greenback is fixed at its present rate of value, and kept at it, the reform which I propose will be effected.

The all-important end to be attained is to bring to a close—and without expense to the Government, but a saving to it—an unstable and fluctuating monetary state, an ever-changing currency, which paralyzes the business of the country by rendering unstable and uncertain the value of its circulating medium. So long as the question of the resumption of specie payments continues to be agitated in the confused manner which it thus far has been, the fear, either of the rise or the fall in value of the greenback, will be suspended, like the sword of Damocles, over the heads of debtors and creditors, and will continue to offer a serious obstacle to all regular business and to a stable credit system. The advocates of a return to specie payments ought to be able to understand that what is right and legitimate in their demand is not specie in itself, but the regularity and fixedness of value, which are secured by the metallic currency. On the other hand, the advocates of the greenback currency should comprehend that they cannot hope to see their ideas triumph until the greenback (that is, a system of paper money whose value is fixed and determined) is declared by law to be the currency of the nation, and gold and silver are set definitely aside as money.

In a word, the real issue is not Specie versus Paper, but Stability versus Instability in the value of the currency of the country. Let this be clearly understood on both sides, and all differences of opinion, all controversies relating to the vexed question of the currency, will be promptly settled, even that of the payment of the National Debt, which can admit of but two solutions : Integral Payment, or National Defaultion.

COTTON MOVEMENT AND CROP FOR 1868-9.

[From the Commercial and Financial Chronicle, of September 18.]

We furnish our readers to-day with our annual statement of the cotton crop of the United States for the year ending September 1, 1869. The figures will be found very complete, as our returns have been fuller than ever before. It appears that the total crop reaches 2,439,039 bales, while the exports have been 1,448,020 bales, and the home consumption 998,806 bales, leaving a stock on hand at the close of the year of 12,843 bales. The stock of cotton at the interior towns, September 1, 1869, not included in the receipts, is 613 bales, against 1,985 bales last season. We have also revised our statement of the overland movement for last year, having discovered an inaccuracy in the published returns, as fully explained in the CHRONICLE of April 10 (vol. 8, page 455). The corrected figures will be found below.

We now bring forward our tables showing the whole movement for the year. The first table indicates the stock at each port, September 1 of 1868 and 1869, the receipts at the ports for each of the last two years, and the export movement for the past year (1868-9) in detail, and the totals for 1867-8.

* These figures are only the portion of the receipts at these ports which arrive overland from Tennessee, &c. The total receipts at New York, Baltimore, Boston and Philadelphia, for the year ending August 31, 1869, are given in a subsequent part of this report.

By the above it will be seen that the *total receipts at the Atlantic and Gulf Shipping ports* this year have been 2,120,428 bales, against 2,240,282 bales last year. If now we add the shipments from Tennessee and elsewhere direct to manufacturers, we have the following as the crop statement for the two years:

	—Year ending Sept 1—	
	1869.	1868.
Receipts at the shipping ports.....bales.	2,120,428	2,240,282
Add shipments from Tennessee, &c., direct to manufacturers	258,611	271,711
Total	2,379,039	2,511,993
Manufactured South, not included in above	*80,000	82,000
Total cotton crop for the year, bales	2,439,039	2,593,993

* In the Virginia receipts are included 20,000 bales taken from Petersburg for manufacturing purposes, so that the total consumed in the South this year is 80,000 bales against 82,000 bales last year.

The result of these figures is a total of 2,439,039 bales as the crop of the United States for the year ending August 31, 1869, against 2,593,993 bales

as the crop for the previous year. It was thought, early in the crop year, that the overland movement direct to the mills this season was to be largely in excess of last season ; in fact, the returns which we obtained and made up on the 1st of January, showed that up to that time such was the case. Since then, however, the receipts of this description have been comparatively small. The movement for each four months of the two years has been as follows :

	From Sept. 1 to Jan. 1.	From Jan. 1 to April 20.	From April 20 to Sept 1.	Total the year.
Overland shipments direct to mills in 1869-9.	163,000	48,000	17,000	258,000
Overland shipments direct to mills in 1867-8.	109,000	151,000	11,000	271,000

As stated above, and as the foregoing figures indicate, we have revised our overland shipments of last year by new returns obtained, and are able, therefore, to give with accuracy the relative takings of our mills for the two years, which will be found in a subsequent part of this report. Below we give the details of the crop for the two years :

Louisiana.

	1868-9.		1867-8.	
Exported from New Orleans:				
To foreign ports.....	619,534		581,477	
To coastwise ports.....	222,871		100,215	
Stock at close of year.....	770	843,175	1,959	688,651
Deduct:				
Received from Mobile.....	36,515		67,043	
Received from Montgomery.....	2,373		3,650	
Received from Florida.....	747		5,770	
Received from Texas.....	7,376		7,692	
Stock beginning of year.....	1,959	48,970	15,256	99,411
Total product for the year		794,205		684,240

Alabama.

Exported from Mobile:				
To foreign ports.....	163,154		236,511	
To coastwise ports.....	81,821		127,243	
To New Orleans from Montgomery.....	2,373		3,650	
Burnt at Mobile.....			342	
Stock at close of year.....	1,064	248,412	2,161	369,907
Deduct:				
Receipts from New Orleans	15,630			
Stock at beginning of year.....	2,161	17,791	3,714	3,714
Total product for the year.....		230,621		366,193

Texas.

Exported from Galveston, &c.:				
To foreign ports.....	83,376		68,595	
To coastwise ports.....	64,506		49,138	
Stock at close of year.....	202	148,063	166	117,899
Deduct:				
Received from New Orleans	100		....
Stock at beginning of year	133	266		3,233
Total product for the year		147,817		114,666

Florida.

Exported from Fernandina, St. Marks, &c.:				
To foreign ports.....	810			
To coastwise ports.....	12,564		38,598	
Stock at close of year.....	18	3,392	....	38,598
Deduct stock at beginning of year.....		...		5
Total product for year.....				38,593

Georgia.

Exported from Savannah:				
To foreign ports—Uplands	161,516		233,556	
Sea Islands.....	6,021		6,048	
To coastwise ports—Uplands.....	189,989		235,708	
Sea Islands	5,174		5,245	
Exported from Darien, etc., to Northern ports.....			2	
Stock at Savannah at close of year	813	363,0	696	501,253
Deduct:				
Received from Florida—Up'ands	240		4,997	
Sea Islands.....	4,824		666	
Stock at beginning of year	696	5,760	633	6,296
Total product for year.....		857,253		495,959

South Carolina.

Exported from Charleston:				
To foreign ports—Uplands	82,814		89,347	
Sea Islands	8,345		5,306	
To coastwise ports—Uplands	142,034		126,151	
Sea Islands	8,313		2,239	
Exported from Georgetown	472		339	
Stock at Charleston at end of year—Uplands	308		1,849	
Deduct: Sea Is.'s	43	302,578	96	248,485
Received from Florida—Uplands	154		190	
Sea Islands	1,700		4,811	
Stock at Charleston beginning of year—Uplands	1,849		1,084	
Sea Is.	96	2,801	194	4,085
Total product for year		199,072		262,211

North Carolina.

Exported:				
To foreign ports	35,908	35,908	35,443	35,443
To coastwise ports				
Total product for the year		35,908		35,443

Virginia.

Exported:				
To foreign ports	4,298		8,398	
To domestic ports	124,747		129,723	
Manufactured, taken from Petersburg, &c.	30,000			
Stock at end of year at Petersburg, &c.	141	161,141	170	166,574
Deduct stock beginning of year	179	179	1,529	1,529
Total product for the year		169,971		164,585

Tennessee, &c.

Shipments:				
From Memphis	247,851		254,340	
From Nashville	65,525		79,198	
From other places in Tenn., Kentucky, &c.	194,173		189,089	
Crop of Illinois			15,000	
Stock in Memphis and Nashville end of year	94	697,743	107	697,536
Deduct:				
Shipped to New Orleans	30,797		69,255	
Shipped to Charleston and Norfolk	23,688			
Shipped direct to manufacturers	268,611		271,711	
Received from New Orleans	1,403			
Stock in Memphis and Nashville beginning of year	107	324,598	1,808	322,965
Total shipments to New York, Boston, Philadelphia, and Portland		181,169		194,579
Add shipments to manufacturers, as above		258,611		271,711
Total product for the year, of Tenn., &c.*		439,800		466,290

* Except the shipments to New Orleans, which are included in the New Orleans receipts, and to Norfolk, which are included in the Virginia receipts.

Total product detailed above by States for the year ending Sept. 1, 1869	bales. 2,379,039
Consumed in the South, not included (in addition to the 20,000 taken from Petersburg)	60,000

Total crop of the United States for year ending Sept. 1, 1869..... 2,439,039

Below we give the total crop each year since 1821:

Years.	s.	Years.	n	l.	Y.	Bales.
1848-49	839	1850-51	2,1	97	18	1,391,722
1849-50	803	1851-52	2,1	06	18	1,254,339
1850-51	774	1852-53	2,1	86	18	1,376,221
1851-52	87	1853-54	2,1	34	18	1,470,426
1852-53	rd	1854-55	1,1	61	18	947,697
1853-54	806	1855-56	2,1	37	18	1,488,268
1854-55	170	1856-57	2,1	48	18	976,246
1855-56	161	1857-58	2,1	09	18	970,415
1856-57	862	1858-59	2,1	73	18	922,996
1857-58	519	1859-60	1,1	54	18	957,251
1858-59	445	1860-61	1,1	45	18	720,77
1859-60	399	1861-62	2,1	35	18	560,340
1860-61	27	1862-63	1,1	21	18	590,158
1861-62	82	1863-64	1,1	97	18	485,180
1862-63	229	1864-65	1,1	80	18	45,216

The crop of Sea Island the past year has been as follows: Florida, 6,749 bales. Georgia, 6,480 bales; South Carolina, 5,454 bales—total, 18,683 bales, the particulars of which are set out below:

FLORIDA—Bales	6,749			
GEORGIA—Exported Foreign	4,901			
Domestic ports	5,171			
Stock end of year	190		11,000	
Deduct received from Florida	4,821			
Stock beginning of year	40		4,821	
Total Sea Island and Ge. gln.				4,821

SOUTH CAROLINA—Exported foreign.....	8,693		
Exported domestic ports.....	8,313		
Stock end of year.....	42—	7,850	
Deduct received from Florida.....	1,700		
Stock beginning of year.....	96—	1,796	
			5,454
Total Crop of Sea Islands			18,682

The crop of Sea Island during former years has been as follows :

1853-56.....bales. 44,512	1858-59.....bales. 47,592	1864-67.....bales. 32,228
1856-57.....45,814	1859-60.....46,649	1867-68.....31,275
1857-58.....40,566	1860-68.....No record.	1868-69.....18,682

Consumption.

The consumption the past year shows a slight falling off, notwithstanding the mills have increased their stock about 30,000 bales. Our usual summary, showing the result for the year, North and South, is as follows :

Total crop of the United States as above stated	2,439,039
Stock on hand commencement of year (September 1, 1868) :	
At Northern ports	30,208
At Southern ports.....	7,927— 38,130
Total supply during year ending September 1, 1869	2,477,169
Of this supply there has been	
Exported to foreign ports during the year.....	1,448,020
Sent to Canada by railroad direct from the West	18,000
Now on hand (September 1, 1869) :	
At Northern ports.....	9,596
At Southern ports.....	2,807— 1,478,363
Total consumption in United States year ending Sept. 1, 1869	bales. 998,806
Consumption in Southern States	80,000
Leaving consumption in Northern States	bales. 918,806

We have been at considerable trouble to obtain a correct idea of the stock now held by the mills, and find that, although several of the largest corporations are holding six, seven or eight weeks' supply, the great body of the spinners are lightly stocked. The total held by them, therefore, on the 1st of September was less than we supposed, being about 60,000 bales, against 30,000 bales last year. Taking the stock, then, on the 1st of September at these figures, we see that the actual consumption of all the mills, after deducting the increase held this year over last year (30,000 bales), would be about 968,000 bales, against 982,000 bales last year, leaving for the Northern mills about 888,000 bales against 900,000 bales last year.

The new year begins with a deficiency in the visible supply of cotton for this country and Europe to the extent of 330,000 bales compared with the amount on hand at the same period of last year. Hence to permit of the same consumption the coming season as during the season which has just closed, the cotton production of the world must be increased to that extent. But this year the average weekly consumption of Great Britain has been about 3,000 bales less than during the same period of 1867-8, while the Continent and the United States have probably together also consumed about 3,000 bales less per week. If, therefore, the mills this season return to the consumption of 1867-8, 300,000 bales additional will be needed, or in all an increased production of 630,000 bales, without allowing any accumulation of stock. We shall undoubtedly be able to make good a part of this deficiency ; but the extent of our crop cannot yet be definitely stated.

Exports.

In the first table given in this report will be found the foreign exports the past year from each port to Great Britain, France and other ports, stated sepa-

ately, as well as the total to all the ports. Below we give the total foreign exports for six years for comparison :

Total Exports of Cotton to Foreign Ports for Six Years.

From—	Exports to foreign ports for year ending August 31.—					
	1860.	1861	1862.	1867.	1868.	1869.
New Orleans.....bales	2,008,672	1,783,873	516,188	616,940	201,477	619,304
Mobile.....	69,481	45,421	270,884	154,414	276,511	168,134
South Carolina.....	306,770	211,388	53,224	80,406	105,513	26,300
Georgia.....	837,755	802,187	91,908	114,101	250,804	167,371
Texas.....	111,967	63,309	64,388	76,912	68,565	91,236
Florida.....	53,108	28,573	87,977	3,009	.....	80
North Carolina.....	.....	193	81	534	.....	.....
Virginia.....	2,350	218	.....	13,911	8,578	6,335
New York.....	203,021	246,049	495,462	469,898	214,734	37,030
Boston.....	9,614	23,225	12,914	17,014	1,441	1,001
Philadelphia.....	292	3,798	3,915	3,155	1,140	99
Baltimore.....	287	3,515	6,708	7,973	16,319	19,713
Portland, Maine.....	.....	.....	.....	113	2,807	1,907
San Francisco.....	.....	.....	.....	22	1	.....
Total from the U. S.....	3,774,173	3,127,368	1,532,457	1,539,787	1,507,515	1,440,800

A wish has been expressed by some of our readers that we should give a detailed statement of the exports from each port during the past year, and we have therefore prepared the following :

Exported to—	Exported from—						New York.	All Others.*	Total.
	New Orleans.	Mobile.	Galveston.	Florida.	Charleston.	Savannah.			
Liverpool.....	309,841	130,181	57,582	.....	83,738	123,673	243,214	13,647	926,466
London.....	2,418	.....	.....	.....	.....	.....	925	.....	2,418
Queenstown.....	.....	.....	.....	.....	.....	.....	.....	.....	2,008
Glasgow.....	.....	.....	.....	.....	.....	.....	2,008	.....	2,008
Cork.....	.....	7,209	.....	.....	.....	.....	.....	.....	7,209
Havre.....	164,958	14,138	.....	819	.....	20,589	21,429	.....	204,104
Marseilles.....	218	.....	.....	.....	.....	.....	.....	.....	218
Rouen.....	208	.....	.....	.....	.....	.....	.....	.....	208
Amsterdam.....	1,394	.....	.....	.....	.....	2,625	.....	76	5,613
Bremen.....	41,505	.....	22,623	.....	.....	2,824	33,266	9,573	110,323
Antwerp.....	100	2,951	.....	.....	.....	.....	351	.....	3,452
Hamburg.....	9,782	.....	.....	.....	.....	1,771	20,308	.....	31,861
Rotterdam.....	.....	.....	.....	.....	.....	.....	300	681	681
Pillau Prussia.....	6,176	.....	.....	.....	.....	.....	.....	.....	6,176
Barcelona.....	26,051	5,356	.....	.....	2,404	.....	.....	.....	34,811
Malaga.....	2,885	.....	.....	.....	.....	.....	.....	.....	2,885
Mexico.....	2,876	.....	2,145	.....	.....	.....	.....	.....	5,021
Genoa.....	6,188	1,000	.....	.....	.....	.....	1,290	.....	8,478
Salerno.....	.....	.....	.....	.....	.....	.....	1,812	.....	1,812
St. Petersburg.....	9,979	.....	.....	.....	.....	.....	.....	.....	9,979
Narva.....	2,328	.....	.....	.....	.....	970	.....	.....	4,298
Helsingfors.....	750	.....	.....	.....	.....	.....	.....	.....	750
Cronstadt.....	755	.....	.....	.....	683	2,973	2,435	.....	4,890
New Granada.....	.....	.....	.....	.....	.....	.....	305	.....	305
Brit. Provinces.....	.....	.....	.....	.....	.....	.....	.....	165	165
Total.....	619,384	189,154	83,376	810	56,009	167,537	327,328	23,805	1,440,800

* Under this head, "Other Ports," we have included as follows:—From Boston—1,308 bales to Liverpool and 185 bales to British Provinces. From Philadelphia—99 bales to Liverpool. From Portland—1,907 bales to Liverpool. From Baltimore—9,082 bales to Liverpool, 481 bales to Rotterdam, 9,573 bales to Bremen, and 76 bales to Amsterdam.

The following are the total gross receipts of cotton at New York, Boston, Philadelphia and Baltimore for each of the last two years ending September 1.

RECEIPTS FROM—	NEW YORK.		BOSTON.		PHILADELPHIA.		BALTIMORE.	
	1868-9.	1867-8.	1868-9.	1867-8.	1868-9.	1867-8.	1868-9.	1867-8.
New Orleans.....	4	8,929	7,310	1,594	417	.....	.....	.....
Texas.....	8	.....	.....	28	130	.....	.....	.....
Savannah.....	7	16,81	22,147	15,334	13,511	.....	.....	.....
Mobile.....	7	233	1,976	59	.....	.....	.....	.....
Florida.....	8	.....	.....	.....	.....	.....	.....	.....
South Carolina.....	8	10,311	3,495	19,221	16,111	.....	.....	.....
North Carolina.....	9	1,313	1,714	2,87	2,771	.....	.....	.....
Virginia.....	8	.....	.....	25,430	25,511	.....	.....	.....
Northern Ports.....	4	.....	.....	115	404	.....	.....	.....
Tennessee, &c.....	3	20,114	24,221	19,457	20,428	.....	.....	.....
Foreign.....	7	.....	.....	29	.....	.....	.....	.....
Total this year ..	651,790	632,328	246,693	209,653	55,811	68,961	59,425	21,200

To complete our record, we give below a table showing the price of middling uplands at New York and Liverpool on Friday of each week during the last two years :

Prices of Cotton at New York and Liverpool two Years.									
		1868-9		1867-8				1868-9	
		New York.	Liverpool.	New York.	Liverpool.			New York.	Liverpool.
		c/s.	d.	c/s.	d.			c/s.	d.
'68	'67.					'69.	'68.		
Sept. 4	6.....	29½	10½	27	10	Feb. 26	28.....	29½	11½
" 11	13.....	28½	10½	25	8½	Mar. 5	6.....	29	12
" 18	20.....	26½	10½	24½	9½	" 12	13.....	28½	12
" 25	27.....	25½	9½	23	8½	" 19	20.....	28½	12
Oct. 2	4.....	26½	10½	20	8½	" 26	27.....	28½	12½
" 9	11.....	26	10½	18	8½	Apr. 2	3.....	28½	12½
" 16	18.....	25½	10½	19	7½	" 9	10.....	28½	12½
" 23	25.....	25	10½	20	8½	" 16	17.....	28½	12½
" 30	—.....	25½	11	—	—	" 23	24.....	28½	12
Nov. 1	—.....	—	—	19	8½	" 30	—.....	28½	11½
" 6	8.....	25½	11½	19	8½	May 1	—.....	—	—
" 13	15.....	24½	10½	18	8½	" 7	8.....	28½	11½
" 20	22.....	24½	10½	17½	8½	" 14	15.....	28½	11½
" 27	29.....	25½	11½	16	7½	" 21	22.....	28½	11½
Dec. 4	6.....	24½	11½	17	7½	" 28	29.....	28½	11½
" 11	13.....	25	10½	15½	7½	June 4	5.....	30½	11½
" 18	20.....	25½	10½	15½	7½	" 11	12.....	31½	11½
" 24	27.....	25	10½	15½	7½	" 18	19.....	33½	12½
" 31	—.....	26	10½	—	—	" 25	26.....	33	12½
1869.	'68.					July 2	8.....	34½	12½
Jan. 8	10.....	—	—	15½	7½	" 9	10.....	34½	12½
" 15	17.....	28	11½	16	7½	" 16	17.....	34½	12½
" 22	24.....	29½	11½	17½	7½	" 23	24.....	34	12½
" 29	31.....	29	11½	19½	7½	" 30	31.....	33½	12½
Feb. 5	7.....	30½	12½	20	8	Aug. 6	7.....	33½	12½
" 12	14.....	30	12½	20½	8½	" 13	14.....	33½	18½
" 19	21.....	28½	11½	28½	10½	" 20	21.....	35	13½
						" 27	28.....	34½	18½

THE WHEAT TRADE OF GREAT BRITAIN.

[From the London Correspondence of the "Commercial and Financial Chronicle."]

We have now reached the close of a protracted and remarkable wheat season, and a brief retrospect may not be unappropriate or uninteresting. The season commenced at an unusually early period, owing to the forward state of the crops in 1868. In the early part of May, last year, the average price of English wheat was as high as 74s 7d per quarter; but the prospect of an early and abundant crop, produced, from that period to the time when the harvest had commenced, a steady downward movement in prices. The result was that by the 17th of July, there had been a decline of 9s. 4d., or to 65s. per quarter. When the unexampled abundance of the harvest of 1868 had, however, become a matter of general knowledge, the fall in prices became more rapid, and there was an almost uninterrupted decline until the 19th of December, when 49s. 5d was the average quotation. From that point, there was a recovery of from 2s. to 3s. per quarter; but in April, May and June, there was much heaviness in the trade, and on the 8th of May the average price of English wheat was only 44s. 4d. per quarter. Towards the close of the season, arising from causes which are too recent to require recapitulation, there was a rise to 54s. 2d., which is the closing price of the season, and which is 2s. 9d. lower than at the termination of 1867-8.

The table which follows shows the average price of English wheat in England and Wales each week since the commencement of the season 1864-5. From this it will be seen that notwithstanding the abundant crop of last year, the price was never at so low a point as in 1864-5. This, however, is easily explained. The crops of cereal produce in 1864 were very large, and had been preceded by an abundant harvest in 1863. The result was that at the commencement of 1864-5 there was a large supply of old wheat in stock, while, at the same time new produce came freely to market. Even from the low average of 42s. 3d., there was an almost uninterrupted fall until the close of the year, when the average quotation was only

37s. 10d.; and although wheat became a little dearer during the latter part of the season, the average price for 1864-5 was only 40s. 8d. per quarter. The abundance of the crop of 1868 has had an important effect upon prices; but it has not forced them down to so low a point. The lowest official average was 44s. 4d., which is 6s. 6d. above that of 1864-5. But at the close of 1867-8 the supplies of old wheat were exhausted, and the new crop came rapidly into consumption at an early period. A very important fall, however, took place, and the satisfactory result is ascertained that English wheat was just 20s. per quarter cheaper than in 1867-8. That result not only benefitted the consumer but the grower also, for it is evident that an abundant crop producing 38s. 3d. per quarter is far more remunerative than a scanty crop yielding 68s. 5d. per quarter. With regard to the future, it does not appear probable that any great variation from the prices now current will take place. The abundant harvest of last year has been succeeded by a crop which is believed to be under an average, but which has been harvested in excellent condition, and which, taken as a whole, is not unsatisfactory. We have, however, by the lateness of the season, saved a months' consumption, owing to the circumstance that thirteen months' consumption has been thrown on to last year's crop. If, however, it should be found when the season is more advanced, and when a better knowledge has been gained respecting the actual yield that the crop is deficient in quantity, there are ample supplies ready to come forward from nearly all the leading grain-growing countries of the world to make up for the deficiency here:—

		1863.	1867.	1868.	1865.	1861.
September	5.....	55.8	62.5	47.3	46.0	42.3
"	12.....	55.5	61.3	47.0	44.7	42.4
"	19.....	54.4	62.11	49.8	42.0	41.0
"	26.....	53.7	64.1	51.5	40.10	40.11
October	8.....	54.4	63.5	52.2	41.1	39.5
"	10.....	51.3	64.10	52.7	41.11	38.9
"	17.....	53.8	67.5	52.2	41.1	38.1
"	24.....	53.4	70.5	52.0	42.4	37.6
"	31.....	52.1	69.11	54.2	43.4	36.9
November	7.....	52.3	70.1	57.2	45.3	35.11
"	14.....	52.0	70.1	56.7	46.11	35.9
"	21.....	51.6	68.11	57.6	46.10	35.9
"	28.....	51.0	68.5	50.0	46.6	34.8
December	5.....	50.1	68.1	61.7	46.5	35.5
"	12.....	49.8	67.8	60.3	46.8	35.4
"	19.....	49.5	66.9	59.5	46.8	35.1
"	26.....	50.7	67.4	60.0	46.11	37.10
January	2.....	50.11	67.10	60.2	46.3	38.3
"	9.....	51.5	69.6	61.0	46.1	38.7
"	16.....	52.8	71.6	62.3	45.7	38.10
"	23.....	52.4	72.4	62.2	45.6	38.6
"	30.....	52.5	72.6	62.6	45.10	38.4
February	6.....	51.0	73.4	61.4	45.5	38.4
"	13.....	51.9	74.0	59.10	45.0	36.4
"	20.....	50.3	72.11	59.11	45.5	36.2
"	27.....	49.7	73.4	59.5	45.7	36.6
March	6.....	49.4	73.8	59.3	45.4	36.4
"	13.....	48.10	73.1	59.4	45.6	36.3
"	20.....	47.9	72.5	59.9	45.3	36.4
"	27.....	46.5	72.10	60.11	44.11	35.11
April	8.....	46.4	72.6	61.2	44.9	35.5
"	15.....	47.0	73.2	60.9	44.5	40.1
"	22.....	46.8	73.8	61.4	44.9	39.7
"	29.....	45.5	73.11	62.11	45.5	35.5
May	1.....	44.0	74.2	61.10	45.9	39.10
"	8.....	44.4	74.7	64.9	45.9	40.11
"	15.....	44.6	74.3	64.11	46.1	41.5
"	22.....	45.2	73.10	65.3	47.4	41.9
"	29.....	45.2	72.3	65.5	47.5	41.11
June	6.....	45.5	70.8	65.4	47.1	41.5
"	13.....	46.0	67.6	65.9	47.4	41.1
"	20.....	46.2	68.1	65.8	48.5	41.3
"	27.....	46.4	67.5	64.10	51.0	41.6
July	8.....	47.9	67.7	64.11	54.6	42.5
"	15.....	48.11	66.7	64.7	55.10	43.1
"	22.....	50.2	65.0	65.1	64.0	43.0
"	29.....	50.11	62.9	66.8	62.0	43.10
"	31.....	51.9	61.1	67.5	41.1	43.6
August	7.....	51.6	57.11	53.2	50.2	42.0
"	14.....	50.0	55.6	68.4	50.2	43.1
"	21.....	53.1	57.1	68.2	50.10	45.4
"	28.....	54.2	56.11	66.7	49.7	46.7
Average.....		48.3	68.4%	60.8%	46.5	40.2%

During the season, our imports have of wheat been as much as 28,865,123 cwt., against 35,553,725 cwt., being a diminution of 6,688,602 cwt. as compared with 1867-8. Owing to the firmness that prevailed in the trade shortly before the close of the season, and to the rapidity with which communication can now be effected with the producing countries, our imports in July and August were very large. In August, they were as much as 4,000,000 cwt., against 1,550,000 cwt. in the corresponding month last year. Of flour, there was an import of 3,927,051 cwt., against 3,143,260 cwt. The exports of wheat were only 150,641 cwt., against 737,881 cwt.; and of flour, 83,645 cwt., against 53,504 cwt.

RAILROAD ITEMS.

—COMPANY REPORTS—BOSTON AND MAINE RAILROAD.—The earnings of this road for the years ending May 31, 1868 and 1869, were as follows:

	1868.	1869.
From passengers.....	\$907,133 23	\$997,397 09
“ freight.....	603,355 62	689,913 85
“ rents.....	28,909 01	27,563 60
“ mails.....	13,671 58	14,139 51
“ interest, premium on stock sold, etc..	12,892 94	32,474 50
	\$1,565,462 38	\$1,761,493 55
Expenses.....	\$1,129,682 33	\$1,204,508 23
Earnings less expenses.....	435,780 05	556,990 27
Deduct tax on dividends and surplus.....	21,736 67	24,306 51
Net revenue.....	\$418,993 39	\$532,183 76
Reserved for the purchase of rails, and unadjusted liabilities, etc.....		60,000 00
Leaving.....		\$472,183 76
From which two dividends of five per cent each have been paid.....		455,000 00
Balance.....		\$17,183 76
Add balance from previous year...		976,017 10
Total as in general balance sheet.....		\$993,200 86

The above balance of \$993,200 86, is invested as follows: in Newburyport railroad bonds \$300,000; in Danvers railroad bonds (guaranteed by this corporation) 73,000; in the Danvers railroad contract and stock \$27,480; in the Dover and Win- nipiseogee railroad stock, \$258 46 + 14—and the remainder in expenditures on the road, rolling stock, etc., in addition to the capital received from the sale of stock. It is, therefore, only an element indicating in some measure, the value of the stock above par; but it is not available for the payment of debts or dividends.

—PORTLAND, SACO AND PORTSMOUTH RAILROAD.—The report for year ending May 31, 1869, shows the following:

INCOME RECEIPTS.					
Year end'g	Year end'g		1869.	1868.	
May 31,	May 31,				
1869.	1868.				
Passengers.....	\$307,736	\$301,574	Mails.....	7,837	7,837
Freight.....	237,238	201,782	Rents and miscellaneo-		
Express ..	13,877	14,177	us.....	8,096	4,864
Extra Baggage.....	250	153		\$573,036	\$530,389
EXPENDITURES.					
1869.	1868.		1869.	1868.	
Machine Shop.....	\$6,723	\$1,051	Damages and Law Expenses	\$4,963	\$5,969
Maintenance of Way.....	142,847	100 451			
Locomotive Power.....	184,508	112,527		399,449	320,011
Train Expenses.....	46,403	89,439		10,000	10,000
Station ..	27,846	29,697			
Office Establishment ..	23,000	18,913		409,449	330,011
Taxes and Insurance...	13,583	11,917			
			Net Earnings.....	165,686	200,878
Payments, including interest, dividends, taxes, &c.....				141,807	
Surplus this year.....				23,779	

The claims of this company upon the Boston and Maine and Eastern railroad companies, for the payment of dividends in gold, has been settled as follows: The company receives \$180,000 for claims on back dividends, and the June (1869) dividend and all subsequent ones to be paid in gold.

—ATLANTA AND WEST POINT RAILROAD.—A condensed comparative statement of items of income for the fiscal year ending June 30, 1868, and June 30, 1869, gives general results, as follows:

	1868.	1869.
Passengers	\$122,339	\$130,988
Freight.....	205,733	214,331
Mail	7,028	8,649
Express.....	8,763	6,240
United States government and miscellaneous.....	7,157	13,538
	<hr/>	<hr/>
Expenses.....	\$351,071	\$32,635
		<hr/>
Net earnings.....		\$119,161

The percentage of ordinary expenses to gross earnings is 61.3-10 against 61 last year. The President remarks in his report:

"The uncertainty of all railroad investments is much increased by the growing policy of 'State aid' in neighboring States, as well as our own. No railroad built with the capital of the shareholders, to satisfy the real wants of the country, can be long secure against a rivalry and competition under the patronage of the State. No policy could be more unjust and oppressive than the policy of 'State aid.' It is a distinguishing feature in this policy that the citizen who has built his own enterprise with his own means, is taxed to build up rival enterprises, by which his own may be ruined. In other words, he is forced to contribute money for the destruction of his own property! The effects of this policy are no longer left to theory. Proof is abundant that roads will be built with little regard to the wants of the public, if men can organize and build them at the expense of the State. Hence vast amounts of capital are wasted that might have been better employed; too apt to be followed by loss of credit, and the bankruptcy of the State, and general financial paralysis. Our road has suffered, and will suffer, perhaps, more from the effects of this pernicious policy in a neighboring State than in our own; though, to some extent, we shall suffer in both."

—THE SOUTHWESTERN RAILROAD OF GEORGIA reports its gross earnings for the year ending July 31, 1869, at \$910,116 16, and its operating expenses, including taxes, as \$549,729 89, or about 60 per cent, leaving as net earnings the sum of \$360,386 18. Two four per cent dividends were paid out of the year's earnings, leaving a trifling surplus. The receipts were \$10,000 less, and the operating expenses \$28,000 less than during the previous year. The shipments of cotton were less by 75,000 bales than those of the previous year.

The Southwestern Railroad consists of a main line from Macon southward to Albany, 107½ miles; a branch from Fort Valley, 28 miles south of Macon, west to Columbus, 72 miles; a branch from Smithville, 83 miles South of Macon, west to the Chattahoochee, opposite Etowah, Ala., 59½ miles; and a branch of this last named branch, from Cuthbert 37 miles west of Smithville, in a southwesterly direction to Fort Gaines on the Chattahoochee, 19½ miles. Of the Columbus branch, the 51 miles east of Columbus was the old Muscogee Railroad, formerly leased by the Southwestern, but consolidated with it last October. The total mileage of the road is 258½ miles. It affords the only railroad route to southwestern Georgia, except to the few counties in the extreme south which are reached by the Savannah & Gulf Railroad.

The Southwestern Railroad was leased on the 24th of June last to the Central Railroad and Banking Company, which owns the railroad from Savannah to Macon, with a branch to Augusta, and several less important branches. By the terms of this lease, a dividend of 7 per cent annually is guaranteed on Southwestern stock, and when a dividend of 10 per cent is declared on Central stock, there must be a dividend of eight per cent on Southwestern, and in that proportion for larger dividends. The dividends of the Central have usually been 10 per cent, of the Southwestern 8 per cent. In order to make the fiscal year of the Southwestern (which maintains its organization) correspond with that of the Central beginning December 1st, a fractional dividend of \$2 50 per share will be made for the time between

August 1 and December 1. Thereafter dividends on both stocks will be made regularly in June and December.

It is now reported that the Central Company will purchase or lease the Macon and Western Railroad, which extends from Macon to Atlanta. The people of Macon are very much opposed to these consolidations, believing that they will make their town a mere way station instead of the terminus of several roads. There can be no doubt, however, that there will be great economy in operating the roads together; and if Macon suffers it will be because the surrounding country finds it more profitable to ship through to the seaboard than to make an exchange at Macon. The strongest objection made to the consolidation is on account of new roads from Brunswick to Macon and Albany, which could have obtained a heavy business from these roads if they had remained independent corporations.—*Western Railroad Gazette*.

THE NASHVILLE AND CHATTANOOGA RAILROAD.—The stockholders of this company held their annual meeting on August 11th, at the Chattanooga depot, when the following report of operations for the year was submitted:

The receipts were \$1,085,594 52. Operating expenses, \$854,018 71. Net earnings, \$231,575 81.

Expenditures 78 per cent. Net earnings 22 per cent of gross earnings.

Comparing this with the result of the preceding year we find:

Increase of gross earnings, \$125,094 79.

Decrease in operating expenses, \$172,921 56. Total increase, \$298,016 35.

The decrease in the revenue derived from rents and privileges is owing to the fact, that previously some \$15,000 per annum was received from the Nashville and Northwestern Railroad, for rent of offices, roundhouse, shops, yard, room, et., but by the terms of the lease under which the Nashville and Chattanooga Company are now operating that road, no compensation is allowed for those privileges.

Mr. Cole offered the following resolutions, which were adopted:

Resolved, by the stockholders in meeting assembled, That the Board of Directors this day elected are authorized to lease for a term of years the Nashville and Northwestern Railroad, the terms of the lease to be fixed by said Directors.

Resolved furthermore, That said Board of Directors be authorized to make any such arrangements with the Tennessee and Pacific Railroad, in reference to depot connection or rail communication, that they may deem advantageous to the company for a term of years.

ERIE RAILWAY.—

OFFICE ERIE RAILWAY COMPANY, }
NEW YORK, Sept. 9, 1869. }

To the President of the New York Stock Exchange:

Dear Sir: In compliance with the request of several of your members, this company has just registered in the office of the Farmers' Loan and Trust Company common stock representing \$70,000,000; preferred stock, \$8,536,900.

The earnings of the road during the eleven months ending September 1, not including receipts of the Atlantic and Great Western Railroad, have been \$17,348,855.

We have pleasure in stating that the road and equipments were never in better condition.

(Signed)

JAY GOULD, President.

—The suit against the Greenville & Columbia Railroad Company of South Carolina, for the foreclosure of the mortgage upon their road, brought by certain holders of their first mortgage bonds, has been settled to the mutual satisfaction of all parties concerned, and an order has been made by the court, now in session (at the suggestion of the suing creditors), dismissing the bill.

—At the annual meeting of the stockholders of the Boston and Maine Railroad, at Lawrence, Mass., recently held, the Portland, Saco and Portsmouth Railroad was authorized to increase its capital stock, and fully equip itself as a first-class railroad.

COMPLETION OF THE LEAVENWORTH AND ATCHISON RAILROAD.—The last rail of this road, connecting the Central branch of the Pacific Railroad with Leavenworth and St. Louis, via the Missouri Pacific Railroad, was laid on September 2d, and the first train passed over it to Atchison.

LAKE SHORE AND MICHIGAN SOUTHERN.—The following statement for the first week

of September, like all statements of earnings hereafter, gives the earnings of the lines between Chicago and Buffalo :

Sept. 1 to Sept. 7, 1869.....	\$273,418 37
Sept. 1 to Sept. 7, 1868.....	263,127 73

Increase \$10,290 64

Travel over the road is very satisfactory. The fast train gains continually in popularity, as might be expected from its excellent accommodations and perfect regularity in making time.

—Messrs. S. W. Hopkins & Co., 58 Old Broad street, London, and 69 Broadway New York, furnish the following official statement of the export of rails from Great Britain :

	—Month end'g July 31—			—6 months end'g July 31.—		
	1867.	1868.	1869.	1867.	1868.	1869.
America—						
United States.....	15,558	16,936	25,249	112,651	163,480	203,587
British.....	3,622	2,135	1,643	9,429	10,803	12,252
Cuba.....	470	326	—	3,077	1,969	319
Brazil.....	1	28	311	779	1,962	573
Chili.....	19	957	85	2,674	1,393	2,656
Peru.....	—	153	3,315	168	923	14,624
Europe—						
Russia.....	19,778	7,886	35,731	43,432	23,100	122,517
Sweden.....	73	383	244	606	1,423	2,129
Prussia.....	299	123	2,428	4,730	4,099	6,972
Illyria, Croatia and Dalmatia.....	—	1,039	2,729	—	4,840	19,457
France.....	20	16	279	80	96	2,233
Holland.....	1,130	2,561	1,591	3,345	19,343	757
Spain and Canaries.....	1,531	443	910	6,470	4,898	7,633
Asia—						
British India.....	18,975	1,532	8,933	83,473	51,026	46,692
Australia.....	736	223	1,845	10,436	5,749	14,141
Africa —						
Egypt.....	—	—	1,615	8,663	10,512	5,256
Other countries.....	3,819	2,779	7,325	16,050	21,412	42,170
Total.....	66,101	37,516	103,938	318,038	334,053	519,721

Old iron to all countries... 4,034 7,838 8,933 26,749 42,587 57,350

—The Western Union Telegraph Company have purchased the lines of the Atlantic and Pacific States Telegraph Company for about 60 per cent of their actual cost of construction. By this arrangement the old Company is enabled to increase its facilities for doing business at once, instead of waiting for the construction of new lines over the same territory, which they had in contemplation. The purchased property was all new and in excellent condition. The Western Union Company will announce a material reduction in rates to all points on the first of October prox.

DISTANCES VIA CHICAGO AND NEW YORK TRUNK LINES.—A correspondent of the Chicago Railway Review gives the following: I have compared the tables of distances (the authority is Appleton's Railway Guide) by the various routes, with the following results:

		Miles	
North Shore Line.			
New York to Albany.....	144	413	92
Albany to Suspension Bridge	301		
Bridge to Detroit	229		
Detroit to Chicago.....	284		
New York Central and South Shore Line.			
New York to Albany	144	413	92
Albany to Buffalo	298		
Buffalo to Chicago.....	538		
Erie and South Shore Line.—(via Buffalo.)			
New York to Buffalo	423	538	92
Buffalo to Chicago... ..	538		
Erie and South Shore Line.—(via Dunkirk.)			
New York to Dunkirk.....	400	468	92
Dunkirk to Chicago.....	468		
Pennsylvania Railroad Line.—(via Philadelphia.)			
New York to Philadelphia.....	90	353	92
Philadelphia to Pittsburg.....	353		
Pittsburg to Chicago.....	468		
Pennsylvania Railroad Line.—(via Allentown.)			
New York to Harrisburg	123	399	92
Harrisburg to Pittsburg	276		
Pittsburg to Chicago	468		

BALTIMORE AND OHIO RAILROAD.—At the recent monthly meeting of the Board of Directors of the Baltimore and Ohio Railroad Company, President Garrett made the following statement in reference to the business of the roads: The Board will remember that on the 1st of July the contract with the Sandusky, Mansfield and Newark Railroad Company went into operation. That line is 116 miles in length, extending from Newark, on the Central Ohio division, to the city of Sandusky, on Lake Erie. Passing under the charge of this company permanently, it is now known as the Lake Erie Division of the Baltimore and Ohio railroad. The relations of the Baltimore and Ohio railroad, through the Marietta and Cincinnati road, under the contract which has been recently made with the Cincinnati, Indianapolis and Lafayette Railroad Company, are also proving of a highly interesting character. Amidst the tremendous efforts and conflicts of the past few months of the great Trunk lines, in connection with western business, the power and capacity of the Baltimore and Ohio road to maintain satisfactory results under its enlarged arrangements have been exhibited. It is interesting to note that the revenues of the main stem and branches—which in the corresponding month in 1868, were in the aggregate \$790,59 99, in the past month of August, notwithstanding the unprecedented difficulties in rates, amounted to \$1,036,244 29, exhibiting an increase of \$246,184 80. Of this amount, however, \$40,889 21 was derived from the Lake Erie division. Deducting this sum, an increase of \$205,295 09 is shown in the general business of the company.

ERIE RAILWAY.—

OFFICE ERIE RAILWAY Co. }
New York, Sept. 11, 1869. }

R. G. Rolston, Esq., President Farmers' Loan and Trust Co.:

DEAR SIR—The following is a statement of the stock, debt and leasehold estates, in answer to your inquiries of this date. The amount of common stock issued is \$70,000,000, and the amount of common scrip none. The amount of preferred stock, including scrip, \$8,536,910. The amount of mortgage debts (7 per cent) authorized and issued is as follows:

First mortgage, \$3,000,000, extended May, 1867, due 1897.

Second mortgage, \$4,000,000, date of issue March 1, 1849, due 1879.

Third mortgage, \$6,000,000, date of issue March 15, 1853, due 1883.

Fourth mortgage, \$4,441,000, date of issue October, 1857, due 1880.

Fifth mortgage, \$926,500, date of issue June 1, 1859, due 1888.

Buffalo Branch mortgage, \$136,400, date of issue July 1, 1861, due 1891.

The amount of sterling bonds £1,000,000, equivalent to \$4,844,400, date of issue September 1, 1865, due 1875.

Under a statute of the State the mortgage debt is convertible into stock only within ten years from date of issue. The ten years have expired on all but the sterling loan, and, as that is selling at par in London, there is no danger of conversion. There is no leased road that can be converted into the stock of this company, except in compliance with the rules of the Stock Exchange by giving thirty days notice, nor will any increase be made in any form except in compliance with aforesaid rule.

H. N. Otis, Secretary.

JAY GOULD, President.

THE LOUISVILLE, CINCINNATI AND LEXINGTON ROAD.—The consolidation, which has been anticipated, has at length been completed, as appears from the following despatch:—"Louisville, Ky., Sept. 11.—Articles of consolidation were signed to-day by the Louisville and Frankfort, and the Frankfort and Lexington Railroad companies. The road will hereafter be known as the Louisville, Cincinnati and Lexington Railroad Company. They have now in successful operation 175 miles of the road."

—The last rail on the Fort Wayne, Muncie and Cincinnati Railroad, connecting Muncie with Cincinnati, was laid at Muncie on the 4th inst., and at 5 o'clock, P. M., the construction train passed from the road to the Bellefontaine.

THE RICHMOND AND YORK RIVER RAILROAD COMPANY have resolved at last to extend their road to some point on the Chesapeake Bay. They have authorized for the purpose the issue of \$450,000 in bonds and \$100,000 in eight per cent preferred stock, making a total of \$550,000. The extension from West Point to the Bay will be twenty-two or twenty-five miles long, depending on the terminus selected.

FAILURE OF VIRGINIA RAILROAD COMPANIES TO PAY INTEREST DUE ON STATE LOANS.—The following has been received from Richmond: Major Stanton, the Acting First Auditor of the State, states that the Richmond & Danville Railroad Company have paid into the State Treasury one-half of the interest due the State on its loans, and the remainder is to be paid December 15th, under instruction from General Canby. The Orange & Alexandria Railroad is yet behind. The annual interest due from that corporation is about \$18,000, while the Southside Railroad owes the large sum of \$252,000. The Virginia & Tennessee Railroad owes about \$420,000 interest to the State, and neither of the last mentioned roads appears to be in a condition to meet its liabilities at present. The Chesapeake & Ohio Railroad is negotiating a loan with which it expects to liquidate its entire indebtedness to the State, principal and interest, in all about \$350,000.

"I learn that the receipts of the Virginia & Tennessee Railroad within the past month amount to \$100,000."

RABITAN AND DELAWARE BAY RAILROAD.—The sale of this road took place on the 18th inst., at the depot of the company, Manchester, N. J. The sale was under a writ of *fiery facias*, issued to Robert S. Green, a Master in Chancery of New Jersey, by the bondholders of the line, for non-payment of a mortgage on the line and stock of \$1,000,000 and accumulated interest to the amount of \$1,700,000.

The property was sold in two lots, the first comprising the railroad and its corporate franchises and rights. The second consisted of the entire rolling stock of the company, the locomotives, cars and the steamboat Jessie Hoyt. Both lots were knocked down to the bondholders of the company after a very feeble competition, the first for \$50,000 and the second for \$74,000. These prices were only nominal, it being understood that the bondholders were determined to buy in the line, and no opposition was offered.

The new proprietors will have a fresh board of directors, of which Charles Gould, of New York, is proposed as President, and intend issuing \$3,500,000 worth of new stock and raising \$2,000,000 on fresh mortgage bonds, the majority of which is to be expended in putting the road into better working order and improving the stock.

ANNUAL REPORT OF THE MEMPHIS AND CHARLESTON RAILROAD, for the year ending June 30, 1869.—The receipts and expenses have been as follows:

RECEIPTS.		OPERATING EXPENSES.	
From passengers.....	\$600,544 37	Conducting transportation.....	\$251,125 9
From freight.....	478,133 25	Motive power.....	241,257 22
From mail.....	34,371 53	Maintenance of way.....	200,000 00
From express and other sources.....	69,710 07	Maintenance of cars.....	86,149 38
	<u>\$1,182,759 22</u>		<u>\$787,535 27</u>
		Leaving net earnings.....	\$401,213 95
The receipts for the first six months of the past fiscal year were.....			\$534,334 27
And for the corresponding period of the previous fiscal year.....			632,899 25
Showing a decrease in receipts of.....			98,564 98
While for the last six months of past fiscal year the receipts were.....			627,964 95
And for the corresponding period of the previous fiscal year.....			521,413 10
Showing an increase in receipts of.....			\$106,490 77
Deducting decreased receipts of the first six months.....			98,644 95
Shows an increase in receipts over previous fiscal year.....			<u>\$7,845 82</u>

Although the receipts of the whole year show but small gain, the results of the past six months promise well for the future, it being a gain of \$106,490 07 in receipts over the corresponding period of the previous fiscal year. The reduction of expense has been as follows:

Total for 1867-8.....	\$533,107 25
Total for 1868-9.....	<u>731,546 27</u>
Reduction.....	\$42,361 50
Increase in gross receipts added.....	<u>7,845 82</u>
Makes an increase in net earnings of.....	<u>\$54,486 62</u>

FINANCIAL CONDITION.

As stated in the previous annual report, the finances are easy, the roadway and rolling stock in fine condition. All that is now needed to produce increased net earnings is an improvement in the general business of the country, and consequently an

increase in the receipts. Out of a gross receipt of \$1,182,759 22 during the past year the net earnings were but \$401,212 95.

The receipts of the road may greatly increase without adding proportionally to the expense.

If the receipts were increased 25 per cent, reaching.....	\$1,478,000 00
Your expenses could not, we believe, increase more than 5 per cent, reaching.....	820,000 00

Leaving your net earnings	\$658,000 00
---------------------------------	--------------

This amount of receipts is nearly \$200,000 less than we obtained during the fiscal year ending June 30, 1867, and when the country fully recovers, our receipts should again be as great as then, in which event your net earnings would not be much under \$800,000 per annum.

CONNECTIONS.

In the last report reference was made to the future connections, the most important of which is from some point on our road to Atlanta, Ga. The prospects are now favorable to an early beginning of the work of building this line, as it is reported the contract has been let for that portion of the road between Guntersville and Jacksonville, Ala. The road from Decatur to Montgomery, Ala., is now under contract, to be completed by the first of January, 1872. These two southerly lines, taken in connection with the St. Louis and Iron Mountain Road via Columbus, Ky., and Corinth on the one hand, and via Memphis on the other, will give us a short line from the grain markets of the West to the cotton regions of the Southeast, which must add materially to the traffic of your road. Besides this, it would give St. Louis a line shorter by one hundred and fifty miles to the Atlantic seaboard at Charleston or Savannah, than to the seaboard at New York, which must ultimately prove beneficial to the interests of the road.

Negotiations are now pending between those representing the Winchester and Alabama Railroad and ourselves for the lease of that road for a term of years. Should the conditions be confirmed by the Legislature of Tennessee, it will be our interest to build, at once, a branch road from Fearn's Switch, six miles east of Huntsville, to the Alabama and Tennessee State line, there connecting with the Winchester and Alabama Railroad. This will not only give us the trade of several large counties in Tennessee, but also a connection via Decherd and the Southwestern Railroad with the line of road to be built from Cincinnati south, by which we will have as short a line from Grand Junction to Cincinnati as by any other route, and from any point east of Grand Junction on our road a much shorter line than any other to Cincinnati. This we regard as promising to become one of our most valuable connections.

The Memphis and Little Rock Railroad is progressing, with indications of a completion within twelve months. This road is on the proposed line of the Southern Pacific route, and in connection with our line, will form the shortest and best great thoroughfare from the eastern Atlantic seaboard cities to the Pacific coast, and its importance to us cannot be over estimated.

There is a line projected and being surveyed from Memphis via Jacksonport, Ark., Springfield, Mo., and Fort Scott, Kan., to Junction City, Kan., on the Union Pacific Railroad, Eastern Division, the distance being 420 miles. This would, with the completion of the road from Atlanta, before mentioned, form a line of about 1,000 miles in length from Charleston or Savannah to Junction City, which is less than the distance from St. Louis to New York, and places Junction City 425 miles nearer the seaboard by this line than via St. Louis to New York.

On the 8th of May Col. Wm. Dickson, for many years a Director in the company, and a pioneer in the enterprise of building the road, tendered his resignation as a member of the Board, the duties of which he had so faithfully and creditably performed.

At the annual meeting the following resolution was passed:

Resolved, That the President and Directors of the Memphis and Charleston Railroad Company are hereby authorized to lease or purchase, as they may deem best, the Decherd, Winchester and Fayetteville Railroad, in Tennessee; and in the event they cannot lease or purchase said Decherd, Winchester and Fayetteville Railroad, they be authorized to build a branch road from or near Huntsville, Ala., to or near Decherd, in Tennessee; and if under the authority we hereby grant to the President and Directors of the Memphis and Charleston Railroad Company to lease or

purchase the Decherd, Winchester and Fayetteville Railroad, and if they succeed in doing so, we authorize them to build a branch road from or near Huntsville, Ala., to intercept the same at such a point as the President and Directors may consider for the best interests of the Memphis and Charleston Railroad.

The Board take pleasure in acknowledging the fidelity and capacity with which the business of the various departments of the company have been managed during the year.

CONDENSED BALANCE SHEET.

DR.		CR.	
Construction proper:		Capital:	
Construction	\$ 6,354,913	Capital stock.. ..	\$ 5,312,735 00
Incidental to construction.....	1,025,318	Funded debt:	
Equipment... ..	1,202,970	State of Tennessee.....	1,317,297 45
	\$8,583,733	First mortgage bonds	1,293,000 00
Stocks and property:		Second mortgage bonds.....	1,000,000 00
Stock in—			4,110,337 45
Miss. Central Railroad	141,600	Floating debt:	
South and North Ala. R.R.....	87,900	Bills payable.. ..	137,886 65
Southern Express Co.....	27,200	Past due coupons.....	32,650 00
Memphis & St. Louis R.R.....	500	Pay rolls	55,833 21
Shelby Iron Company	25,000	Dividends	65,391 29
Mobile & Montgomery R.R.....	29,200	Unpaid State interest.....	51,526 12
National Bank at Huntsville.....	9,000	Unpaid United States taxes.....	3,857 52
Nashville & Decatur Railroad.....	26,000	Due to railroads.....	12,631 91
Railroad Hotel at Huntsville.....	6,082	Due to individuals.....	131,530 64
Telegraph	2,684		513,335 33
Road material	123,787	Profit and loss.....	99,767 04
	527,903	Suspense account	1,505 87
Interest and expenses:			110,172 90
Road expenses.....	781,546	Receipts:	
Interest on State bonds.....	88,437	Passage	600,541 87
Interest and exchange	8,696	Freight	478,153 25
Interest on Company bonds.....	156,555	Mail service.....	34,371 53
Tax account... ..	26,033	Express service	37,984 20
	1,066,273	Rents and privileges	31,723 27
Assets:			1,152,739 22
Bills receivable.....	39,584	Total	\$11,229,949 90
Coupon bonds.....	596,500		
Due from railroads	185,082		
Due from individuals.....	66,539		
Due from agents.....	6,344		
Sam Tate, Receiver.....	26,583		
United States	12,319		
Post-office Department.....	20,897		
People's Bank of S. Carolina.....	16,556		
Georgia Railroad Bank.....	25,551		
Cash... ..	66,040		
	1,062,039		
Total.....	\$11,229,949		

UNION PACIFIC RAILROAD COMPANY.—The President of the Union Pacific Railroad Company has addressed the following circular to the stockholders:

OFFICE OF THE UNION PACIFIC RAILROAD CO.,
Boston, Mass., Sept. 15th, 1869.)

To the Stockholders of the Union Pacific Railroad:

It is well known that malicious attacks have been made upon your company, upon its credit, and upon the character of the work itself. While all persons who knew the real causes of these attacks were well aware that they were without foundation and only vindictive, it cannot be denied that they were a source of grave embarrassment and difficulty. There is nothing so sensitive as credit: It may receive a most as great a temporary injury from false rumors as from damaging statements of fact.

The natural result of these assaults upon the company's credit was the arrest of the public sale of its securities, and a threatened danger of stopping the work, when two millions a month were required to continue it. It was fortunate for the country, as well as yourselves, that you had the ability, as well as the courage, to advance the millions from your private means that were required to finish the road. I believe that no private corporation ever before made so large a call, or one that was more promptly responded to. The work upon the line was continued during the winter at

a very heavy extra cost, but nearly all the obligations incurred have now been adjusted.

The earnings of the road since its opening have been :

From May 10 to May 31	\$891,490 12
" June 1 to June 30.....	7,6602 29
" July 1 to July 31.....	628,559 96

This is at the rate of about eight millions a year, which will be steadily augmented by the development of the Pacific coast and by settlement along the line.

The company own over 8,000,000 acres of land in the Platte Valley, in Nebraska, which competent judges pronounce equal to any in the West. The lands were offered for sale at Omaha July 27th, and 40,000 acres were sold in one month thereafter, at an average of over \$5 per acre. The company also own over ten million acres in addition, some of which is of little value, but there are portions from which a considerable sum will eventually be realized.

You will perceive that the income of the company is now ample to meet the interest on its first mortgage and land grant bonds, and we have every reason to expect that the natural growth of its business will soon give its stock a value that will make a suitable return for the risk you have taken in building the longest railroad line in the country, through a wilderness which most persons pronounced impassable for a locomotive.

OLIVER AMES, President.

SAN FRANCISCO, Sept. 12.—The Western Union, and Atlantic and Pacific States Telegraph Companies have consolidated.

WESTERN UNION TELEGRAPH COMPANY.

The annual report to the stockholders of this Company for the year ending June 30, 1869, has just been issued, and is a very complete document, not alone interesting to stockholders of the Company, but to the public generally, as a brief history of the Telegraph in the United States.

ORGANIZATION OF THE WESTERN UNION COMPANY.

The Western Union Telegraph Company was originally organized as the New York and Mississippi Valley Printing Telegraph Company, on the 1st of April, 1851, for the purpose of building a line from Buffalo, N. Y. to St. Louis, Mo.

By numerous purchases and consolidations of lines throughout the country which have been going on almost uninterruptedly for nearly a score of years, a complete unification of the great majority of the telegraph lines in the United States has been the result, and rendered the system the most extensive and efficient in the world.

THE EXTENT OF THE WESTERN UNION LINES.

The territory now occupied by the lines of this company embraces almost the entire civilized portion of the continent of North America. On the eastern coast our lines extend from Plaister Cove, on the Gulf of the St. Lawrence, to Indianola, on the Gulf of Mexico; and on the western coast from Los Angeles, California, to the fisheries on the Kishyox River, 800 miles north of New Westminster, British Columbia. They reach across the continent, from the Atlantic to the Pacific Ocean, and embrace every State and Territory in the Union but Minnesota, New Mexico and Arizona, and include the British Provinces of Nova Scotia and New Brunswick. Our lines also have an exclusive connection with those in Newfoundland, Canada, Minnesota, Wisconsin, and New Mexico, and with the Atlantic and Cuba Cables.

[We are informed that since the preparation of this report the Company has purchased the lines and property of the "Atlantic and Pacific States Telegraph Company" of California, for which it paid \$115,000. This purchase was made because the Company needed the material to enable it to meet the demands for telegraph

facilities on the Pacific coast, and because it could be acquired at what was regarded a fair value, being about 40 per cent less than the original cost. By this purchase the Western Union Company have acquired about 500 miles additional of line, and about 1,000 miles of additional wire.

The Atlantic and Pacific States Company, we believe, was organized about two years since, and had expended in the construction of lines about \$200,000 in gold.—
ED. MAGAZIN.]

RE-ORGANIZATION OF THE SYSTEM.

Among the more important lines which have been or are now being rebuilt, is that extending from Omaha to San Francisco.

The opening of the Pacific Railroads has fortunately remedied the difficulties from Indians, and the lines have been transferred from the old route to the railroads as fast as possible. Within the past year the new lines have been completed over the entire length of the Union Pacific road from Omaha, Nebraska, to Promontory Summit, Utah, a distance of 1,200 miles; and over the Central Pacific road from Sacramento, California, to Elko, Nevada, a distance of 468 miles. Nearly all the poles are distributed for the construction of the line over the intervening section between Promontory Summit and Elko, a distance of 220 miles, and it will be completed during the present season.

The following table gives the aggregate amount of line which has been constructed and reconstructed during the past three years, showing it to be more than 80 per cent of the entire extent of line belonging to the company :

STATEMENT SHOWING THE NUMBER OF MILES OF POLES AND WIRE CONSTRUCTED AND RECONSTRUCTED FROM JULY 1, 1866, TO JULY 1, 1869.

	Constructed		Re-constructed	
	Miles of poles.	Miles of wire.	Miles of poles.	Miles of wire.
From July 1, 1866, to Dec. 31, 1866.....	1,634	2,748	3,255	6,490
" Dec. 31, 1866, to Dec. 31, 1867.....	2,518	4,443	2,856	4,751
" Dec. 31, 1867, to Dec. 31, 1868.....	2,202	6,036	2,033	4,904
" Dec. 31, 1868, to July 1, 1869.....	1,624	4,900	430	1,735
Total.....	7,968	18,127	8,073	17,880

EXTENT OF RIVAL ORGANIZATIONS.

The following statistics will show the comparative extent of the lines, wire and offices belonging to the Western Union Company, and those working in exclusive connection therewith, and of those of all the rival organizations :

Number of miles of line belonging to W. U. system.....	65,263
" " " wire " " "	121,565
" " stations " " "	4,692
Number of miles of line belonging to Rival Companies....	6,73
" " " wire " " "	9,107
" " stations " " "	330

Thus it will be seen that, of the total number of miles of line in the United States and the British Provinces, the proportion belonging to all rival organizations is about ten per cent and of wire and stations about seven per cent.

The increase of the lines of the Western Union Company by construction alone, during the past three years, exceeds by 1,195 miles the total amount of lines belonging to all the rival organizations in the United States and Canada; while the amount of wire erected by this company during the same time is 9,000 miles more than that owned by all the rival companies combined.

FINANCIAL STATISTICS OF THE COMPANY.

Capital Stock.

The capital of the company at its organization in April, 1851, was \$250,000. For more than seven years thereafter no dividends were made, the surplus earnings being devoted to the construction and purchase of additional lines. On the 23d of December, 1863, the amount of stock outstanding was \$7,950,700, the increase in the eleven years which had intervened being due to consolidations of other lines and the

capitalization of profits. The united capital of the various companies whose lines were consolidated with ours during this period amounted to over \$7,000,000. The company subsequently issued its stock upon favorable terms in the acquisition of other telegraph lines to the extent of \$2,116,200, and on the 11th of May, 1864, made a stock dividend of \$100 per share, thus increasing the capital to \$20,18,8800.

It has since been increased as follows :

For A. & O. Tel. stock.....	\$832,400	For Fractions.....	\$55,100
E. & M. " ".....	68,000	Truemanb'g and Seneca Falls	
House " ".....	5,700	stock.....	8,500
Pemb'n & Gold. Trust's... ..	2,800	Hick & Wright repeat.....	1,500
Cash	77,000	Lodi Telegraph stock.....	500
Western Union bonds.....	91,500	American " ".....	11,833,100
Ithaca telegraph stock.....	14,500	Pitts., Cin. & Lou. st'k.....	4,100
Cal. State " ".....	161,900		
Syrac'e & B. " ".....	4,800	Total capital stock... ..	\$41,068,100
Mo. & Kan. " stocks.....	60,400	Owned by company exclusive of	
U. States " stock.....	2,885,200	the sinking fund.....	494,800
" " Pac" ".....	2,883,300		
Equalization of stock, as.....		Balance on which dividends of July,	
per consolid'n ag'm't.....	468,000	1869, was paid.....	\$40,568,200

THE BONDED DEBT.

The bonded debt of the Western Union Company was begun in 1864, by the issue of \$2,000,000 of seven per cent bonds, for the purpose of buying the control of the stock of the California State Telegraph Company, and for the construction of new lines. These bonds were convertible into the stock of the company at par, and \$91,500 were subsequently so converted, leaving the balance outstanding January 1st, 1866, \$1,918,500.

The amount since issued is as follows :

For Rus'n Extes. tel. stock.....	\$2,170,292	American telegraph bonds.....	\$87,500
Cal. State " ".....	218,940		
West. Union " ".....	10,000		\$6,071,095
Wash. & N. O. " ".....	53,175	Bonds paid and cancelled.....	1,436,995
Real estate	50,000		
For cash.....	570,688	Am't of bond. debt July 1, '69.....	\$4,634,100

These bonds mature as follows :

In 1873.....	\$89,500
In 1875.....	4,544,600
	\$4,634,100

The bonds issued in 1864 became due in May, 1866, and May, 1867, and were paid partly from the net earnings of the company. One dividend was passed because it was deemed prudent, in the then existing state of financial affairs, to appropriate the earnings to the payment of the \$540,695 of bonds maturing in May, 1867, rather than to divide them among the stockholders, and thereby compel the negotiation of a new loan with which to meet the maturing debt.

The greater portion of the debt of the company was incurred in the grand attempt to build a line on the northwest coast and across Behring's Straits, to connect with the Russian line at the mouth of the Amoor River, known as Collins' Over and Line to Europe, which was abandoned after the successful submergence and operation of the Atlantic Cable.

In May, 1867, it was decided to establish a sinking fund to provide for the bonded debt, and the sum of \$20,000 per month has since been appropriated to that object.

Up to December, 1868, the sinking fund was invested in the bonds of the company, which, as fast as they were purchased for that account, were cancelled. Since that date the Executive Committee have been authorized by the Board of Directors to invest the sinking fund in the stock of the company, when it can be purchased for one half the market price of the bonds.

STATEMENT OF SINKING FUND ACCOUNT.

\$488,500 Western Union bonds of 1875, purchased and cancelled.....	\$418,971 80
2,008 shares Western Union stock.....	72,251 75
balance uninvested	29,776 54
	\$521,000 00

At the annual meeting of the stockholders, held July 8, 1868, the following by-law was adopted :

"The Board of Directors may hire or purchase the lines, or purchase stock of any other telegraph company; but neither the capital stock nor the bonded debt of the company shall be increased beyond the amount now authorized, except by the written consent of two-thirds of the directors, entered in the secretary's records of proceedings of the board, and by a vote of the stockholders holding a majority of the capital stock, at an annual meeting, or at a special meeting called for that purpose."

STATEMENT OF NET INCOME FROM JULY 1, 1866, TO JULY 1, 1869.

	1866.	1867.	1868.
July.....	\$151,910 57	\$175,289 36	\$205,506 95
August.....	201,974 65	194,706 68	225,753 79
September.....	258,023 96	275,907 20	254,497 86
October.....	279,283 24	235,876 83	249,707 64
November.....	248,527 36	214,234 00	227,708 59
December.....	249,874 99	196,843 64	226,237 1
January..	1867. 239,455 82	1868. 173,347 98	1869. 254,473 20
February.....	168,824 51	254,827 80	220,393 35
March.....	238,556 07	252,014 59	220,624 75
April.....	224,716 89	245,907 87	218,963 13
May.....	198,603 11	243,209 06	202,853 67
June.....	170,653 56	226,535 50	209,447 46
Total.....	\$2,624,919 73	\$2,641,710 38	\$2,801,457 46
Net profits for three years, ending July 1, 1869.....			\$8,015,432 06
Miscellaneous profits.....			146,713 44
Balance on hand July 1, 1866.....			17,326 34
Total.....			\$8,179,474 44

DISBURSEMENTS OF NET PROFITS.

Of the above net earnings there has been disbursed for

Construction of new lines.....	\$1,238,870 11
Purchase of telegraph property.....	294,621 53
Redemption of bonds.....	616,835 00
Purchase of real estate.....	44,591 69
Interest on bonds.....	940,247 96
Sinking fund.....	520,000 00
Dividends.....	4,044,525 34
Miscellaneous.....	24,573 43

Balance on hand July 1, 1869, as follows :

Due from Russian Extension Company.....	\$227,339 61
Supplies on hand undistributed.....	172,097 69
Cash.....	35,758 03
Total.....	\$435,215 33
Total.....	\$8,179,474 44

COMMERCIAL CHRONICLE AND REVIEW

Monetary Affairs—Rates of Loans and Discounts—Bonds sold at New York Stock Exchange Board—Price of Government Securities at New York—Course of Consols and American Securities at New York—Opening, Highest, Lowest and Closing Prices at the New York Stock Exchange—General Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.

September was distinguished chiefly by derangements in the money, stock and gold markets, attendant upon the gold panic. Very fortunately, the crisis, though convulsing every Wall street interest, was felt comparatively little outside. In the local grain market, there was a brief partial interruption of business, with which the Western markets sympathised; and in the merchandise markets there was naturally a brief halt among buyers, to see what might be the result upon holders of goods; but no cases of embarrassment occurred in any of these branches of trade; but, on the contrary, the merchants were found to be the first to come to the relief of the distressed financial interests, by the free pur-

chase of securities; their intervention having checked the panic and prevented it from spreading disastrously over the general commerce of the country. No stronger evidence than this could be afforded that the commercial interests are in a sound and healthy condition and that the panic was purely speculative in its origin, scope and bearings.

The money market has naturally sympathized with the bold and demoralizing speculation in the Gold Room. At the beginning of the month the scope of the clique movement in gold was understood, and the apprehension that it might result in great excitement and derangement kept the money market in a constantly feverish state, with much irregularity in the rates of interest. This feeling was intensified by the efforts of brokers to break down the price of stocks and, if possible, accomplish the failure of a large stock house, whose suspension, it was calculated, would materially help their scheme; and this attempt, no doubt, contributed very much to the weakness of Lockwood & Co. in the panic under which they succumbed at the close of the month. The crisis was attended with the failure of six or eight stock houses, most of them in good standing; while, in the Gold Room, several failures have been reported, and many firms have been thrown into a condition of temporary suspension, until the immense gold transactions of Friday, the 24th ult., can be settled. The rates of interest have been determined less by the supply of money than by the degree of distrust both in securities and borrowers. To the class of borrowers upon Government collaterals money has been accessible at 7 per cent in currency to 7 per cent in gold; but, for the last week of the month, ordinary borrowers have had to pay upon stocks rates ranging from $\frac{1}{2}$ @1 per day upon low-priced shares, to 1@4 per day upon high-priced. There has been a considerable demand for money from the West, and at the opening of the month some liberal amounts were sent also to the South. The excessive scarcity of small notes, owing to the Treasury having taken them in preparatory to a new issue, has, however, prevented this demand being fully met, the result being favorable to the reserve of the city banks.

The market for Government bonds has been less affected by the crisis than might have been expected. The remarkable steadiness of bonds abroad has helped to sustain prices here, although at brief periods there has been a margin or 3@4 per cent in favor of the shipment of bonds to Europe. Prices fell at one time 4@5 per cent below the opening quotations; but this was no more than was naturally required by a fall in gold to 130@133. Some considerable amounts of bonds were thrown on the market during the panic, to employ the proceeds in the purchase of stocks at the very low figures; but this supply has perhaps not been more than sufficient to cover the liberal purchases of the Government, which were increased to \$3,000,000 on the 25th and \$3,000,000 on the 29th, as a means of checking the panic in the money market.

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	Inc.	Dec.
U. S. bonds.....	\$23,892,150	\$15,334,900	\$	\$8,557,250
State & city bonds.....	10,053,000	5,165,500	.....	4,887,500
Company bonds.....	1,638,800	1,200,000	.....	858,800
Total—September....	\$35,608,450	\$21,800,400	.....	\$13,808,050
Since January 1.....	168,865,440	256,415,109	\$97,549,669	.....

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of September, as represented by the latest sale officially reported, are shown in the following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	5's, 1881.		5's, (5-30 yrs.) Consol.					5's, 1880.	
	Coup.	Reg.	1883.	1884.	1885.	new.	87.	88.	C'm.
1.....	123	123½	123½	123½	123½	121½	121½	120½	119½
2.....	123	123	123	123½	123½	121	121½	120½	119½
3.....	123	123	123	123½	123½	121	121½	120½	119½
4.....	123½	123½	123½	123½	123½	121½	121½	120½	119½
5.....	123½	123½	123½	123½	123½	121½	121½	120½	119½
6.....	123½	123½	123½	123½	123½	121½	121½	120½	119½
7.....	123½	123½	123½	123½	123½	121½	121½	120½	119½
8.....	123	123	123	123½	123½	121	121½	120½	119½
9.....	120½	120½	121	120	120½	119	119½	119½	119
10.....	123	123	120½	121½	121½	119½	119½	119½	119½
11.....	121½	121½	121½	121½	121½	120½	120½	119½	119½
12.....	121½	121½	121	121	121½	119½	119½	119½	119½
13.....	121½	121½	121	121	121½	119½	120	119½	119½
14.....	121½	121½	121	121	121½	119½	120	119½	119½
15.....	121½	121½	121	121	121½	119½	120	119½	119½
16.....	121½	121½	121	121	121½	119½	120	119½	119½
17.....	121	121	121	121	121½	119½	119½	119½	119½
18.....	121	120½	121½	121½	120½	119½	119½	119½	119½
19.....	121	120½	121	120½	121	119½	119½	119½	119½
20.....	121	120½	121	120½	121	119½	119½	119½	119½
21.....	120½	120½	121½	120½	120½	118½	118½	118½	118½
22.....	120½	120½	121½	120½	120½	118½	118½	118½	118½
23.....	120½	120½	121½	120½	121	118½	118½	118½	118½
24.....	120½	120½	121½	119½	119½	118	118	117½	117½
25.....	120½	120½	121	119	119½	117½	117½	117½	117½
26.....	119	119	121½	118½	120½	117½	117½	117½	117½
27.....	119½	119½	120½	119	119½	117	117½	117½	117½
28.....	119½	119½	119½	119½	119½	116½	116½	117	117½
29.....	119½	119½	119½	118½	118½	117½	117½	117	117½
30.....	119½	119½	119½	118½	118½	117½	117½	117	117½
First.....	123	123½	123½	123½	123½	121½	121½	120½	119½
Highest.....	123	123½	123½	123½	123½	121½	121½	120½	119½
Lowest.....	119	119	119½	118½	118½	117½	116½	117	117½
Last.....	119½	119	119½	118½	118½	117½	117½	117	117½

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

The excitement in the stock market has amounted to absolute panic. Speculative brokers, seeing a timid feeling among the banks and in the market generally, growing out of the prospect of a threatening corner in gold, began early in the month to assault the stock market with much vigor, and, there being none who cared to resist them, stocks declined heavily throughout the list. Some of the large holders being thus weakened, the market the more readily yielded under the general wreck of confidence growing out of the culmination of the great gold speculation on the 24th, and prices fell to an extent ranging between 6 per cent

on Reading and 53 per cent on New York Central. The extent of the fall may be judged from the following comparison of the highest and lowest prices of some leading stocks:

	High- est.	Low- est.		High- est.	Low- est.
Pacific Mail.....	80½	59½	Chicago & Northwest'n.....	86½	68
New York Central.....	206	153	do do pref.....	.....	.....
Erie.....	42	27	Pitts. & Fort Wayne.....	80½	79
Hudson River.....	188½	134	St. Paul.....	80½	61
Reading.....	97	91	do pref.....	.....	.....
Michigan Southern.....	106½	76	Ohio & Mississippi.....	39½	34
Cleveland & Pittsburg.....	112	89	Toledo & Wabash.....	69	0

STOCKS SOLD AT THE NEW YORK STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	Increase.	Dec.
Bank shares ..	2,183	1,538	.....	665
Railroad " ..	1,461,464	723,644	.....	737,820
Coal " ..	3,778	1,348	.....	2,535
Mining " ..	88,317	11,760	.....	23,567
Improv't " ..	13,700	2,100	.....	11,600
Telegraph " ..	12,616	14,121	.....	5,444
Steamship " ..	31,498	24,975	.....	54,568
Expr's &c " ..	110,074	21,108	.....	88,971
Total—September.....	1,730,629	803,414	.....	927,215
Since January 1..	14,541,018	9,429,845	.....	5,114,173

The great feature of the month has been the extraordinary speculation in gold, under which the price was run up from 133½ at the opening to 162½ on the 24th. On the latter date the Treasury came in to the market with proposals to sell on the following day \$4,000,000 of coin; with the result of breaking down the price, within a few minutes, to 131. Amid the excitement of the enormous transactions of the 24th, transactions were made involving enormous losses to dealers. Some of these were repudiated; upon others the parties failed; and of the remainders covering many millions, there remained at the close of the month a large amount unsettled. Amid the confusion resulting from the culmination of the speculation, the Gold Exchange Bank became involved suspended, and was thrown into the hands of a receiver, large amounts of the funds of dealers being in that way tied up. The experience of the month teaches a sad lesson of the demoralization of gold speculation, and is likely to tell hereafter upon the excesses of Gold Room operations.

COURSE OF GOLD AT NEW YORK.

* No transactions.

† Called at the Stock Exchange and the National Stock Exchange.

The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities sold at the New York Stock Exchange during the months of August and September, 1869 :

Railroad Stocks—	August				September			
	Open.	High.	Low.	Close.	Open.	High.	Low.	Close.
Alton & Terre Haut.....	88	86	88	85½	....	....	....	....
" " " prel.....	59	59	58	59	59	59	54	54
Chicago & Alton	168	168	158	155	154½	154½	135	145
do do pref.....	162½	162½	155	156	156	156	135	135
Chicago, Burl. & Quincy.....	196	200	194½	194½	170	170	160	165
do & Northwest'n	84	92½	83½	83½	84½	86½	68	70½
do do pref.....	96½	101	93½	93½	94½	95	79	85
do & Rock Island.....	114½	114½	114½	114½	115	115½	102	106½
Columb., Chic. & Ind. C.....	87	87	83	85	83½	84	24½	25
Cleve. & Pittsburg.....	107½	108½	104	106½	109	112	82	93
do (ol., Cin. & Ind.....	78½	82	73½	79	78	79	73	74½
Del., Lack & Western.....	112	113	111½	112½	112½	113	105½	105½
Dubuque & Sioux city	104½	113	104½	112	111	111	104	1.6
Erie.....	....	....	....	....	87	42	27	22
do preferred .....	....	....	....	....	70	71	57½	57½
Harlem	161	167	160	160	160	160	121	127
Hannibal & St. Joseph	126½	131	122	125	125	125	92	107
do do pref.....	125	128½	120	121	123	123	97	97
Hudson River	187	188½	179½	184	186½	186½	124	134½
Illinois Central	142	142	132½	139½	139	139½	124	124
Lake Sho. & Mich. South.....	106	109½	104½	105½	104	106½	75½	82½
Mar. & Cincin., 1st	22	22	22	22	20	20	20	20
" " 2d "	9	9	9	9	8½	8½	8	8
Michigan Central	182½	182½	128	129	129	131	116	118
Milwaukee & St. Paul.....	79	84½	78	79½	79½	80½	61	68
do do pref.....	89½	92½	86½	87½	87½	89½	75	80
Morris & Essex.....	88½	89½	87½	83½	83	88½	47½	50
New Jersey	123	123	123	123	123½	123½	120	120
do Central	102	109½	102	107½	10½	107½	97	1.0
New Haven & Hartford.....	....	....	....	....	232	232	232	232
New York Central.....	200½	212½	197	199	203½	206½	153	168½
do & N. Haven.....	132½	145	132½	140	140	140	125	130
do do scrip.....	128	140	128	135	130	130	130	130
Norwich & Worcester.....	112	112	112	112	112	112	112	112
Ohio & Mississippi	82½	82½	81½	82½	82½	82½	24	24½
Panama	270	270	280	280	240	251	240	250
Pittsb., Ft. W. & Chica.....	153½	154½	151½	151½	....	....	....	....
do do guar.....	89½	90	88½	83½	89½	89½	79	81½
Reading	97	98	95½	96½	97½	97½	91	9½
Rome, W. & Ogdensb'g	100½	100½	100½	100½	105	110	105	109
Third Avenue.....	....	....	....	....	183	185	185	185
Toledo, Wab. & Western.....	74	83	74	83	83½	83½	60	55½
do do do pref.....	74	87½	74	85	83	83	60	50
Miscellaneous—								
American Coal.....	....	....	....	....	40	40	40	40
Central Coal.....	....	....	....	....	60	60	60	60
Cumberland Coal	24	25½	23	23	31½	31½	28	28
Wilkesbarre Coal.....	65	65	65	65	....	....	....	....
Del. & Hud. Canal	127	128	126	126	125½	126	122	122
Atlantic Mail .....	....	....	....	....	29½	29½	29½	29½
Pacific Mail	84½	87	79	80	80	80½	59½	63½
Boston Water Power	15	15	13½	13½	15½	16	12	12
Canton	58½	58½	68	68	56	56	50	54
Mariposa	8	8	8	8	8	10½	8	9
do pref.....	16	16	10½	12	12½	19	12½	14
Quicksilver.....	16	16	14	15	15½	15½	12	14
West. Union Telegraph.....	83	89	87	87½	87½	87½	85	38
Citizens Gas.....	150	150	150	150	150	150	120	130
Bankers & Brokers Ass.....	109	110	108½	108½	....	....	....	....
Union Trust.....	150	150	150	150	....	....	....	....
Express—								
American M. Union.....	41½	42½	35½	36	35	38	30	20½
Adams	59½	59½	56	56½	56½	57½	49½	51½
United States.....	69½	69½	62½	63½	63	63	50	50
Merchant's Union	10	11	10	11	11½	11½	11	11
Wells, Fargo & Co.....	21	22	13½	19	18	19	16	17

Foreign exchange has been very irregular, owing to the demoralizing speculations in gold. At one time, prime bankers' 60-days' sterling bills could not be sold on the street at better than 102; on the breaking up of the speculation, the price quickly advanced to 107½.

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London. cents for 64 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin cents for thaler.
1.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
2.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
3.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
4.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
5.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
6.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
7.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
8.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
9.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
10.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
11.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
12.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
13.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
14.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
15.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
16.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
17.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
18.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
19.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
20.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
21.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
22.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
23.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
24.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
25.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
26.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
27.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
28.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
29.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
30.....	100 1/2 @ 100 1/2	511 1/2 @ 511 1/2	40 1/2 @ 40 1/2	78 1/2 @ 78 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2
Sept., 1869.....	106 1/2 @ 100 1/2	532 1/2 @ 516 1/2	39 1/2 @ 40 1/2	78 1/2 @ 79 1/2	84 1/2 @ 86	69 1/2 @ 71 1/2
Sept., 1869.....	108 1/2 @ 109 1/2	520 @ 520	40 1/2 @ 40 1/2	79 @ 79 1/2	85 1/2 @ 85 1/2	71 1/2 @ 71 1/2

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.
January 2.....	\$259,090,057	\$20,786,129	\$24,879,609	\$180,490,445	\$18,698,421
January 9.....	268,792,569	27,334,730	24,814,156	187,908,599	51,141,128
January 16.....	269,368,631	29,258,588	24,379,158	195,484,643	52,937,038
January 23.....	264,954,509	28,864,197	21,365,906	197,101,163	54,022,119
January 30.....	265,171,109	27,784,933	24,291,156	196,965,463	54,747,569
February 6.....	266,541,738	27,389,404	24,246,436	196,601,899	53,424,133
February 13.....	264,880,407	25,854,331	24,263,451	192,977,860	52,834,052
February 20.....	263,428,064	26,351,391	24,247,321	187,612,546	50,997,197
February 27.....	261,871,897	20,823,603	24,247,981	186,216,176	50,835,054
March 6.....	263,030,883	19,426,634	24,275,825	182,604,437	49,146,369
March 13.....	261,669,593	17,353,671	24,690,445	172,392,456	49,639,621
March 20.....	263,068,303	15,313,306	24,741,310	183,501,999	50,774,874
March 27.....	263,009,569	12,072,721	24,777,814	180,113,910	50,555,103
April 3.....	261,983,073	10,797,839	21,816,916	175,325,789	48,496,259
April 10.....	257,130,937	8,791,543	24,609,350	171,485,690	45,544,732
April 17.....	255,184,882	7,811,779	24,436,769	172,203,494	51,001,268
April 24.....	257,453,074	8,830,360	24,060,501	177,310,060	53,577,698
May 1.....	260,436,160	9,267,605	23,972,058	183,948,565	55,496,722
May 8.....	263,436,873	10,031,459	23,966,190	191,303,877	55,109,572
May 15.....	269,499,897	16,374,769	23,977,793	199,392,449	56,501,856
May 22.....	270,975,953	15,439,404	23,927,866	199,414,863	57,808,368
May 29.....	274,925,451	17,671,280	23,920,865	203,056,600	57,810,873
June 5.....	275,919,609	19,051,133	23,932,995	199,124,042	57,399,439
June 12.....	271,968,735	19,068,590	24,141,790	193,886,906	50,669,253
June 19.....	265,341,906	19,025,444	24,198,829	189,214,110	49,612,438
June 26.....	260,431,733	20,257,140	24,214,795	181,774,895	48,163,920
July 3.....	262,368,471	22,630,367	24,217,973	179,929,467	46,787,363
July 10.....	265,434,941	20,266,912	24,277,945	163,157,233	48,703,793
July 17.....	267,008,239	21,055,450	24,173,487	183,431,701	51,859,706
July 24.....	269,641,889	20,073,434	24,110,733	193,622,263	54,371,062
July 31.....	260,530,325	27,301,233	21,063,677	196,416,443	56,101,527
August 7.....	264,879,257	26,003,935	23,917,985	200,320,003	56,056,334
August 14.....	263,505,365	24,154,499	23,992,357	198,262,711	54,750,069
August 21.....	263,741,133	21,694,510	24,023,104	191,024,546	53,070,831
August 28.....	261,012,109	19,469,108	24,609,749	188,754,539	52,792,631
September 4.....	263,349,809	17,441,723	23,960,035	191,101,096	51,829,739
September 11.....	260,664,638	14,943,056	23,964,166	188,822,344	51,487,867
September 18.....	263,406,034	14,538,109	23,972,759	185,390,130	51,269,197
September 25.....	263,441,323	12,968,431	23,996,081	180,330,793	50,045,061

PHILADELPHIA BANK RETURNS.

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.....	\$51,716,999	\$252,488	\$18,310,397	\$23,131,023	\$10,592,719
January 11.....	51,642,287	544,691		23,768,511	10,594,379
January 18.....	52,122,723	478,463		29,625,158	10,595,300
January 25.....	52,537,015	411,837		19,555,444	10,546,214
February 1.....	52,632,818	3,2783		29,677,943	10,588,351
February 8.....	53,059,716	337,051		40,080,890	10,588,351
February 15.....	52,924,891	304,681		23,711,573	10,588,351
February 22.....	52,416,146	2,1307		27,990,908	10,588,351
March 1.....	52,251,351	256,888		27,780,305	10,588,351
March 8.....	52,232,000	297,887		28,993,064	10,588,351
March 15.....	51,911,522	277,517		27,571,592	10,588,351
March 22.....	51,828,419	225,097		28,960,009	10,588,351
March 29.....	50,597,100	210,644		28,863,244	10,588,351
April 5.....	50,499,266	139,008		26,370,854	10,588,351
April 12.....	50,770,193	134,246		26,089,123	10,588,351
April 19.....	51,478,871	167,818		27,031,747	10,588,351
April 26.....	51,294,223	164,261		27,457,365	10,588,351
May 3.....	51,510,983	201,758		29,971,231	10,588,351
May 10.....	51,988,539	270,526		29,173,803	10,588,351
May 17.....	52,168,526	276,167		40,608,743	10,588,351
May 24.....	52,261,764	174,115		41,631,420	10,588,351
May 31.....	52,210,874	185,257		42,477,819	10,588,351
June 7.....	52,828,587	169,816		42,240,830	10,588,351
June 14.....	53,124,800	152,451		42,085,077	10,588,351
June 21.....	53,810,066	148,796	14,973,128	42,066,901	10,588,351
June 28.....	53,661,173	180,684	14,507,337	41,517,716	10,588,351
July 5.....	53,937,521	202,621	14,071,449	41,231,537	10,588,351
July 12.....	53,140,765	486,293	13,416,498	40,140,497	10,588,351
July 19.....	53,123,508	456,750	12,944,880	39,834,869	10,588,351
July 26.....	52,463,100	390,377	12,076,180	38,160,644	10,588,351
August 2.....	51,958,813	394,869	12,619,911	39,717,156	10,588,351
August 9.....	52,022,830	326,216	12,530,061	39,506,423	10,588,351
August 16.....	51,932,991	266,039	12,047,685	39,141,198	10,588,351
August 23.....	52,309,626	244,256	12,977,037	39,040,865	10,588,351
August 30.....	52,043,652	245,515	12,014,318	38,343,414	10,588,351
September 6.....	51,521,879	247,358	12,073,705	39,212,689	10,588,351
September 13.....	51,697,868	199,169	12,901,074	39,948,913	10,588,351
September 20.....	51,703,872	174,855	12,848,596	39,169,826	10,588,351
September 27.....	52,130,403	189,058	12,443,869	39,343,378	10,588,351

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.....	\$99,423,644	\$1,203,401	\$12,928,882	\$27,538,767	\$25,131,266
January 11.....	100,737,077	3,075,844	12,884,700	28,034,897	25,175,087
January 18.....	102,206,209	2,677,688	12,991,237	29,717,186	25,242,307
January 25.....	102,959,949	2,894,760	12,228,874	29,661,747	25,273,299
February 1.....	103,696,663	2,161,284	12,964,335	40,293,463	25,212,971
February 8.....	104,342,437	2,078,908	12,452,705	40,093,917	25,212,971
February 15.....	103,215,044	1,845,624	11,642,864	37,736,712	25,212,971
February 22.....	102,452,639	1,545,413	11,260,790	36,233,614	25,212,971
March 1.....	101,809,539	1,283,984	11,200,143	35,469,496	25,212,971
March 8.....	101,428,983	1,297,599	10,925,973	35,625,690	25,212,971
March 15.....	100,820,803	1,277,816	10,869,186	34,051,716	25,212,971
March 22.....	99,558,319	1,390,864	10,490,448	32,441,097	25,212,971
March 29.....	99,670,945	987,769	11,546,222	32,630,439	25,212,971
April 5.....	96,969,714	862,276	11,243,834	32,504,099	25,212,971
April 12.....	99,635,479	750,160	11,391,539	34,392,377	25,212,971
April 19.....	99,115,650	630,460	11,459,685	34,357,071	25,212,971
April 26.....	98,971,711	617,435	12,361,897	35,304,839	25,212,971
May 3.....		708,963	12,362,112	35,735,733	25,212,971
May 10.....		1,287,749	12,612,472	37,457,337	25,212,971
May 17.....		1,184,666	12,588,597	39,796,294	25,212,971
May 24.....		924,500	12,194,523	39,067,091	25,212,971
May 31.....		772,297	12,696,857	39,401,446	25,212,971
June 7.....		640,652	12,648,615	37,493,719	25,212,971
June 14.....		601,742	12,067,208	34,331,417	25,212,971
June 21.....		959,796	9,595,666	34,331,417	25,212,971
June 28.....		1,105,642	9,541,979	35,211,108	25,212,971
July 5.....		3,140,676	9,792,461	37,396,897	25,212,971
July 12.....		3,255,151	10,719,549	37,396,897	25,212,971
July 19.....		2,024,525	10,429,896	34,331,417	25,212,971
July 26.....		2,365,920	11,210,634	34,331,417	25,212,971
August 2.....		2,154,616	11,792,519	34,331,417	25,212,971
August 9.....		2,127,372	12,371,211	34,331,417	25,212,971
August 16.....		1,571,713	12,747,397	34,331,417	25,212,971
August 23.....		1,715,532	12,920,097	34,331,417	25,212,971
August 30.....		1,368,474		34,331,417	25,212,971
September 6.....		316,681		34,331,417	25,212,971
September 13.....		316,681		34,331,417	25,212,971
September 20.....		316,681		34,331,417	25,212,971
September 27.....		316,681		34,331,417	25,212,971

THE
MERCHANTS' MAGAZINE
AND
COMMERCIAL REVIEW!

NOVEMBER, 1869.

THE INDEPENDENCE OF CANADA.*

BY HON. L. S. HUNTINGTON, Q.C.

In England it is the custom for public men to seize the occasion of great gatherings of the people to address them upon public affairs. I humbly invoke that custom and your kind forbearance while I address to you some observations upon what I consider the great question of the day. I made some remarks in the same sense in Parliament at its last session, and was honored with a great deal of unfriendly criticism, and I am sure you will forgive me, if I improve the first favorable occasion for restating my opinions with some arguments in their support. I may premise that there is neither disloyalty nor indelicacy in bringing to your notice, a subject, which deeply interests this country—which has been discussed both in our own and in the British Parliament—and gener-

* An address delivered in September, 1869, before the Agricultural Society of the County of Missisquoi, at Bedford, Canada.

ally by the Press in both countries—and which I firmly believe is the necessary complement of the great scheme of confederation we have accomplished. It is true that in my humble way, I opposed that scheme in great part, because I was timid about the early assumption of sovereignty, which I thought I foresaw, then, must follow. I stated in my place in Parliament, after the coalition of '64, that confederation, if it should really prove, what its promoters pretended, an antidote to annexation, was the first step towards the independence of the country. But opposition was useless, for confederation was the policy of the empire; and imperial influence is always too powerful for Colonial dissent. I have accepted the situation in its fullest sense, as faithfully and loyally as if I originally promoted it. But the first step having been taken, I see dangers in delay, and I believe it is expedient to take measures for the severance of our present relations to the Empire. This is a momentous step and requires grave consideration. It must create difference of opinion and the broadest tolerance should be accorded to discussion. I propose to speak candidly and dispassionately. I have no party battle to fight nor personal preferences to gratify. Holding strong opinions as to the future of this country, I submit them frankly for the verdict of my countrymen. Sooner or later the weight of opinion—the majority—must rule. I am prepared to accept the decision and loyally abide by its consequences. Such service as I can render will be cheerfully rendered, whether my country remains a province or becomes an Independent state. And I profess and feel profound respect for those who honestly dread the great change we are discussing.

Foremost among the barriers to our progress towards a nationality, is that noble sentiment of loyalty to the British Crown, which has so generally and so happily subsisted among the great masses of our people. Can we forget our noble Queen? Can we dissociate ourselves from the glories and the traditions of the Empire? British Citizenship is no idle word, and what could we create for ourselves to surpass it? For a century past the affectionate colonial eye has rested from afar upon the British Throne, as the centre of power, protection and glory. We have venerated the Old Land, with a far off colonial adoration,—we have borrowed her thoughts, leaned upon her opinion, and conscious of the plentitude of her effulgence, we have been proud to shine through her reflected light. England has been the land of our dreams; even distance lent her enchantment and Englishmen to us were a superior race. We have been proud of the Old Flag; not indeed feeling under it an equality with the Sea Kings, but assured of its protection, in the listless life of dependence which colonists lead. We knew if great danger should threaten, that Flag would float over us, stayed by an arm stronger than ours, which

we could not control; and that ours would be neither the duty or glory of upholding it. But dependence begets trust; and to confide in a generous people is to admire and love them. Can all this trustfulness, this affection and loyalty be torn ruthlessly away? It deserves at least respect and tender treatment. But it might not be wise to jeopardize the great future of our young country, for the sake of even so noble a sentiment, as the Hindoo widow sacrificed her life upon the funeral pile. Governments in our time, are ordained for the prosperity of the people, and if it can be shown that the virtues of self reliance and national Manhood—habits of original thought—a condition of equality with the nations of the earth—an immense preponderance of material advantage may be safely and permanently secured by a friendly change in our relations to the Empire; perhaps loyalty to the Dominion might come to overshadow the wide-spread sentiment of loyalty to the crown. The child nestles with fond dependence to the parental heart; one by one his habits of self-confidence are acquired as childhood merges into youth or manhood approaches. When at last the age of majority is reached, filial affection is not quenched, because the days of dependence are over. Nor could we plead the tenderness of the tie as an excuse for perpetual childhood. It is from such a point of view that the London "Times" speaks of Canada as "The eldest son of England."

But there are those who believe that the Independence of Canada would conflict with the Colonial policy of the Empire, and who taking their inspirations from the traditions of the past, make England's glory to consist in the vastness of her colonial possessions. The motto of "Ships, Colonies and commerce" belongs to an age that is past. Its mention summons the ghost of the old act of Navigation, and the celebrated 29 Acts of Parliament, for the maintenance of a Commercial Monopoly—"like melancholy ghosts of dead renown." It was a system of obstruction and restriction to Colonial enterprise, in which the Colonists were regarded as mere contributors to the wealth and glory of the parent State. Freedom has made rapid strides in England since those days, political economy has been remodeled, and political arithmetic has achieved new systems of calculation. England did not find that the loss of her original American Colonies dwarfed her industries, crippled her commerce or blighted her prestige as a nation. They have grown to be a greater people and more profitable customers. The young Colonies relieved from the restraints of tutelage espoused great principles and upheld them thus ensuring their own greatness and, incidentally, the elevation of universal mankind. Englishmen have watched with a careful eye the progress of their kinsmen in the untried field of freedom and equality. Slowly and cautiously they have copied what seemed to

be success, and have been warned of the distinctions between liberty and license; and thus for nearly a century the two great nations foremost in their devotions to the principles of popular freedom and constitutional government, have been a constant example and encouragement to each other. Sometimes there have been rivalries and estrangement. Quarrels among kinsmen are oftenest bitter and unreasonable, but the friends of peace and freedom have trusted, not in vain, to that palladium of common principles, which both peoples have cherished; and thus it has happened that the dismemberment of the Empire, which the matchless eloquence of Chatam and Burke foretold and deprecated, and honest old George the Third believed impossible, has proved a great commercial and political blessing to England and the world. The old motto meant after all, nothing more than, "ships, market and commerce." and these, under the new relations of the colonies have been multiplied a hundred fold.

Now let us like men of nerve and comprehension apply this lesson to ourselves. What benefit are we to England? From what we have seen, it is manifest, that our sovereign independence would enhance our own growth and resources, and multiply the advantages she could derive from our trade. The commercial argument therefore from an English point of view is against the connection, and this is why our enemies affect to despise it. But how are we otherwise useful? Are we a source of strength to her in war? Do we recruit her armies, or, failing to supply men, do we pour our means into her military coffers? We do not even afford a field for the political patronage of the British administration of the day, and there remains to England therefore, but the doubtful prestige of nominal rule over vast American possessions. What wonder, that Englishmen are growing cold to this advantage, when they reflect upon the prodigality of blood and treasure it may one day cost them to maintain it? Faithful to her glorious traditions, England will act no dishonorable part towards us while we remain a portion of the empire. Her oft reiterated promise to defend us in case of war, she will fulfill with the last man and her last dollar. But the obligation is not the less an embarrassment because it is binding. And the more far seeing of her statesmen for fifty years, have looked towards a change of the conditions which imposed it. Step by step, in all the noble and unprecedented concessions they have accorded to us, we have been led cautiously, towards the paths of manhood and self-reliance; and they have explained to the British people, as they watched this problem, of a free government, growing out of their colonial jurisdiction, that the Colonial State was not what Burke called it, a "perpetual minority" but must expand into sovereign and independent powers. In the great Confeder-

ation debate of '65, the Hon. John Hilliard Cameron the leader of the high Tories of Upper Canada, declared, in denouncing the doctrines of the Manchester school, that Canada derives no important benefits from her connection with Great Britain, except in the matter of defence

With this honest declaration of an untainted Conservative chief, I propose to open a brief discussion of the question. What benefit is England to Canada? I speak as to the future, and I am not unmindful of her generosity in the past, and the great heritage of free institutions she has bequeathed to us. These were our birthright, but a less magnanimous provincial policy would have denied them to us as Colonists. Sovereign or dependent, Canada will cherish for all time, a grateful memory of England's gentle and benignant rule over us, while she taught us the lessons of constitutional government. For all time, too, wherever our great populations are descended from her noble stock, we shall cherish the pride of kindred, shall claim our share in the glories of her literature, her martial powers, and her commercial triumphs. But these rights are not to us an exclusive heritage, and we but held them in common with the descendants, all over the world, of the great Foster-mother of nations; and I am enquiring after the special advantages of the connection. These are not to be found in our commercial intercourse for here we are left to compete against the world. It is not that her abundant capital, attracted by our loyalty and affection, flows in upon us because we are a dependency; to develop our resources, and to awaken the hum of industry along our shores; for that capital seeks only a safe return of its investments, and is oftener drawn where it is better rewarded among strangers. It is not that the prestige of the connection gives us a position among the peoples of the earth; for our powers are merely local and municipal, and bear the taint of inferiority and dependence. There remains, therefore, but the one advantage, and we end, as Mr. Cameron began for us,—the advantage of the connection is narrowed to the solitary matter of defence; and we shall see, as we proceed, that even this is of doubtful utility. Defence presupposes attack, which we have only to dread from our republican neighbours. But the difficulties with them, are always of an imperial character. The Trent affair, the Alabama claims, and the Irish Fenian quarrel with England, were all as foreign to us as the China Seas, and interested us only in their consequences. It is not true that the same may be said of Liverpool or Dublin for a hundred reasons; but especially because they are part of the British Isles, and are represented in the British parliament. We have no voice and cannot influence the foreign policy of the empire. There is only for us the duty of waiting till war is declared, and the luxury of becoming the field of blood, the theatre of desolation. Thus England would defend

us, but from what, but the consequences of her own quarrels? We have no occasion for dangerous controversy with our neighbors on our own account. Our interests are blended with theirs, and tend to mutual comity and good will, and the dangers of conflict will be a thousand fold removed when British entanglements are avoided. This fact has been again and again admitted by British Statesmen. During the debate in the House of Commons on the defences in 1865, Mr. S. Fitzgerald declared, that if Canada were independent, there would be no cause of quarrel between her and the United States. That it could be only through a desire to strike at England, that America would attack us. Canadians had not permitted the Alabama to escape or precipitately acknowledged belligerent rights, and there could be no cause of quarrel, except that she was united to England; and his belief was, that if Canada were independent to-morrow, she would not run the slightest danger of a contest. Mr. Cardwell adverted to that speech, as one, against whose tone the Government could make no complaint, and the sentiment was received with the approving hear-hears of the House. In the same debate Mr. Bright, whose views have not changed, and who is a power in England at this moment, declared, that should any occasion to defend us arise, it would not result from anything done by us, but would be a war growing out of the relations between the Cabinets of London and Washington.

It is true that in case of war, we would be no match for the power of our neighbors. But our dependence would be in the right and in the comity of nations. There is no reason to fear that they would be aggressive. Mexico, Cuba, the South American States have maintained their autonomy without molestation. And besides, as Mr. Cameron suggested the other day, there would probably be little difficulty in arranging for a British and American protectorate.

It is to be regretted of course, that a portion of the American press adopt a disagreeable and sensational tone upon this subject, and it suits the views of certain journals here to give these utterances an unnecessary prominence. They preach, of course, the manifest destiny of annexation, and they laugh at our independence, as impossible of maintenance for six months after its achievement. They say it is impossible for two peoples, of the same race and language to live alongside, without the absorption of the smaller by the greater. This is mere vapid assertion. The experiment of course was never tried, because the prescribed conditions were wanting. But what did these people preach about the Southern Confederacy? Did they not prate loudly of her power to sustain a national existence? And though she failed after prodigies of valor and skill, what reasonable man doubts that, could she have

achieved her independence, she might subsequently have maintained it? Yet the South was far behind us in her appreciation of freedom and the true elements of a nation's greatness. It is only poor Canada which is to be sneered and jeered into clinging to a system of tutelage and inferiority for ever. It was not the fashion to disparage her resources and poh! poh! her aspirations when the Hon. John Brown, in his Confederation speech spread out the map and invited the House to an enthusiastic study of her magnificent geography. He traced the island of Newfoundland, and found it equal in extent to the kingdom of Portugal. Crossing the straits to the main land, the hospitable shores of Nova Scotia, stretched out to the dimensions of the kingdom of Greece. New Brunswick was equal in extent to Denmark and Switzerland combined. Lower Canada was a country as large as France, and Upper Canada, 20,000 miles larger than Great Britain and Ireland put together. Across the continent to the shores of the Pacific was British Columbia, the land of golden promise, and comparable in extent to the Austrian Empire; and then the Indian territories which lie between were greater in extent than the whole soil of Russia. There were, he said, in Europe forty-eight sovereign states, and only eleven with a population greater than ours. In 1871 we were to stand equal in population to the ninth sovereign State in Europe. The honorable gentleman further told the House that in 1793 the commerce of the sovereign and independent United States, their exports and imports, did not amount to one-third of what ours did at that moment, and there were few states in Europe, and those with vastly greater population than our own, that could boast of anything like the foreign commerce passing through our hands. And France, though the third maritime power of the world, owned only 60,000 tons more of shipping than British America. Then the Dominion, whether for industry or defence, would muster a force of 70,000 seamen, and in round numbers 700,000 men capable of bearing arms. These are not the qualities of a country unfit for self-government and whose future need bear the taint of inferiority and dependence. I have said that independence is the natural sequence of the theories which promoted confederation. Lord Monck alluded to it as involving a "New Nationality," when he first referred to it in a speech from the throne. British statesmen have invariably discussed it as a step in the transition our institutions were undergoing. The events of the American war, and the attendant possibilities of a rupture with that country forced upon the attention of the British Government the question of the defence of their possessions on this continent. They promoted the scheme from an imperial point of view; and with reference to immediate relief from the embarrassments of their responsibili-

ties here. I cannot better express my view of the attitude they assumed than by quoting from the *True Witness* of March, 1867, one of the best written journals on this continent, and understood to be an organ of the Lower Canada Catholic clergy. The writer says: "We understand that the bill for the union of the B. N. A. Provinces has been rapidly carried through the three readings in the House of Lords. In all probability it will meet the same fate in the House of Commons; for in England public sentiment is very strong in favor of a measure which is looked upon as preliminary to the severance of a political connection not profitable and often very dangerous to the people of Great Britain. Some changes have been made in the Quebec scheme, apparently at the request of the delegates themselves, since we may well believe that in the Imperial Legislature the feeling towards these Provinces is a desire to get rid of them altogether as honorably and as speedily as possible. They profit Great Britain neither materially nor morally. * * * * All that remains for Great Britain is to get rid of her North American Provinces as speedily and with as little loss of moral prestige as possible. The so-called Confederation of these Provinces presents the means for accomplishing this, and it is therefore eagerly grasped at by men of all parties." There is no doubt that, more or less directly, such views were urged upon our delegates while the negotiations were proceeding in England. Indeed so determined were all parties there to hurry through the arrangement, that the most solemn remonstrances of its colonial opponents were treated with almost universal and contumacious neglect. And the views of the statesmen, as might be expected, are quietly reflected among the people of England. All the organs of opinion, the popular *Times*, the Radical *Star* and the Tory *Standard*, the stately *Saturday Review* and the snobbish *Pall Mall Gazette*, with their satellites all over the kingdom, adopt the same tone; either that Canada is an incumbrance to England or they are ready to promote her independence to-morrow; and every colonist with whom you speak and who has had the entre to British society will tell you that the same feeling pervades the British mind. Adam Smith wrote that no dominant country could ever voluntarily relinquish its power over a dependency. But he regarded the abandonment in the light of a sacrifice, and in our case England has already abandoned all the patronage which, in his view, was a temptation to retain dominant power. But Mr. Cornwall Lewis, who wrote later, and after modern colonial views began to permeate England, regarded as probable that a parent state, deriving no advantage from a dependency, and believing that the dependency was able and willing to form an independent state, might abandon its authority for the want of a sufficient inducement to retain it. There

might even be positive reasons for a withdrawal, as if the dependency contributes nothing to the commercial facilities of the dominant country, it is a source of expense to the supreme government, and may involve the dominant country in war; and he further says that if the parent state understands its true relation to the dependency it will voluntarily recognize independence when there is fitness to maintain it; will prepare those for independence who are still unable to stand alone; and will seek rather to promote its trade, than its Empire. Englishmen believe that we are able to fulfil all these conditions and they are cautiously but persistently pressing the responsibility upon us. Need we hesitate to take the hint and prepare to assume it? Are our public men too timid to lead the people up to the great work which is before them? Are they blind to the signs of the times or are they seeking to encourage the people in blindness? It is time that every Canadian should comprehend the attitude which England is assuming; and that he should calmly and dispassionately admit there is method in the madness she is accused of. We have seen that in a commercial sense or in a sense of military or national *prestige*, she derives no advantage from the connection. We have seen, that there is mutual disadvantage—unmistakeable danger to the mother and the child, in the relations subsisting between them. How long can we afford to cultivate blindness to our true position, and go on simulating an importance which is deceitful and visionary. The change must come and it is only manful, to prepare for it. It is childish to underate ourselves or the duties that await us. There are dangers in delay, and it is our duty to face the grave aspect of the position. As we have seen, the interest and the policy of the Imperial Government are unmistakeable. Tory and Radical seem for once in accord. No doubt the responsibility of ministers in England, the delicacies of party relations, the anxiety of one side to retain office and of the other side to obtain it, may temper imperial tactics and stimulate caution and reserve. It may be that even yet a skilful appeal to the dead past of the old colonial policy might rouse a spirit of resistance among the British masses. There may be some who still believe that the perpetual minority of the Colonies is essential to the glory of the Empire; as there are still some who cherish the traditionary faith that one Englishman can whip two Frenchmen. This state of things may delay, but it cannot avert the crisis. There remains still the Colonial Policy—the unmistakeable hand writing on the wall. Even Sir John Young our chief Imperial officer, an able, astute, and experienced statesman, has not found it consistent with his high duties to be reticent upon this great question of the hour. Cautiously of course, as became his high office, but signifi-

cantly as the representative of great imperial interests here, he hints at the transition State, through which our institutions are passing. He stated at Quebec and reiterated at Halifax, that Canadian statesmen and people are the best judges of their own interests; that their destinies were in their own hands, and that if they decided upon some change, the proposition would receive from the statesmen and people of England a generous and friendly consideration. His Excellency does not belong to that school of thinkers, who preach that pending the great consolidation here, further changes are not to be thought of. He does not tell us that, because Confederation is but half accomplished, we should shut our eyes to the future, and leave blind chance to accomplish the destinies of this Great Northern Dominion. He tells us indeed, in his Halifax speech, that he had been misrepresented at Quebec, and that he had been made to talk of change of allegiance, when he only meant change of alliance. Nobody but the wilfully blind could have understood His Excellency otherwise. Nobody could have dreamed that a British Governor would suggest to the people of half a continent under his rule the cession of their territory to a foreign power. But His Excellency is too good a philologist not to understand the full purport of the words he discusses. Allegiance signifies the obligation of a subject to his prince or government; alliance suggests original powers mutually exercised by the parties to a compact, and practically, therefore, allegiance ceases when alliance begins; and this view is quite consistent with Sir John Young's able speeches, as interpreted by himself. He simply did not intend to convey the idea that England would promote the annexation of this great country to the vast territories of our republican neighbors, while at the same time he felt that the future had something nobler in store for us than the mere colonial tutelage of our times. Hence he spoke of change from such a state, encouraged by us, by reciting the example of Holland, with smaller territory and fewer resources, and cheered us with the promise of the perpetual good will of his government and "alliance" with England, the "mother of nations." The country owes a debt of gratitude to His Excellency for this timely aid to the popular thought, for thus cautiously foreshadowing that brilliant future whose effulgence has dazzled his timid ministers. It is, moreover, stated, upon what seems to be undoubted authority, that when it was intimated to Sir A. T. Galt that Her Majesty had it in contemplation, in view of his distinguished public services, to confer upon him the honor of knighthood, that gentleman took occasion to lay before the Executive a statement expressing his high sense of this great honor, but that he felt he ought, before accepting it, to represent the strong views he entertained in

favor of the early independence of this country. But Her Majesty's representative found in this phase of opinion no disqualification for royal favor, and Her Majesty was graciously pleased to confer it. It would be fair to ask if Sir John Young did not mean to indicate independence, what did he mean? He could not have referred to our representation in the British Parliament, the only means by which we colonists could become the equals of our trans-Atlantic countrymen, and an impossible concession from the Imperial Government. If England were to admit the representatives of her millions of colonists to seats in the House of Commons, how long would she maintain her metropolitan and conservative dominance? How long before she must cease to consider colonial questions from an Imperial point of view, and find her children assuming the attitude of her masters? Such a solution of the colonial relationship is undesirable and impossible. Englishmen would never dream of it, and if they did, it would not meet our colonial wants. Perhaps it would be fair to interpret that speech in the light of Imperial opinion. It is not to be supposed that His Excellency intended to start new and original theories. Let us believe him to have been in accord with the statesmen of his country and his time. In that great debate, from which I have quoted on the defences of this country, Mr. Disraeli alluded to the hypothesis of a desire on the part of Canada and the other North American Colonies, for independence; and to the hour when England might thus lose a dependency, but gain a firm ally and friend. And again, he said Canada has its own future before it. We have a right to assume it. It has all the elements which make a great nation. It has at this moment a strong development of nationality, and the full conviction on the part of England that these Provinces may ultimately become an independent country is to her, not a source of mortification, but of pride. Mr. Bright in the same debate points out the reason why Canadians should feel, if they are like other Englishmen, that it would be better for their country to be disentangled from the politics of England, and to assume the position of an independent state. He believed, from what had been stated by official gentlemen in the present government, and in previous governments, that there was no objection to the independence of Canada whenever Canada might wish it. If Canada, by a friendly separation, became an independent state, said Mr. Bright, choosing its own form of government—monarchical, if it liked a monarchy, or republican, if it preferred a republic, it would not be less friendly to England. And in case of war, Canada would then be a neutral country, and her population enjoy greater security. In the same debate Lord Palmerston declared that when the Provinces felt strong enough to stand alone, and desired the

connection no longer, England would say "God speed you and give you the means to maintain yourselves as a nation." These general sentiments of the debate provoked no dissent in the House, where all shades of British opinion are represented. And though nobody declared the time had come, England was manifestly shaping her policy to meet it. I shall pass over the stronger expressions, the advanced opinions of subsequent debates, because time does not permit me to produce a *repertoire* of all the discussions on this subject. But in the light of what has gone before it is not easy to misunderstand the remarkable utterances of Mr. Gladstone, the Prime Minister of England, during the debate in the House of Commons the other day upon the subject of guaranteeing the Hudson Bay Loan. Objections had been taken to the principal of colonial guarantees, and Mr. Gladstone fully endorsed them. But he declared that this guarantee was given for a strictly imperial object, to dissociate England from the inconvenience of too extensive territorial possessions. In former times, said Mr. Gladstone, the American Colonies were entangled in a vicious system of dependence on England. The government wished to engender in them a spirit of independence. They wished to wind up the old system and see the colonies make a new start. That was not to be a beginning, but an end. Almost as I speak a confirmatory missive comes to us across the water—one of the strangest, as it is one of the most important events of our time. The *London Times* by the last steamer is handed me, containing a circular from a meeting of colonists in London, expressing alarm at the new imperial views of the colonial relations, and seeking to provide means of inducing the British Government to withdraw from its lately declared policy on the subject of colonial defence; or failing in that, to demand to be released from their allegiance, and to adopt such further means as the exigencies of the new situation may require. The circular suggests a conference in London during the next session of the imperial Parliament of delegates from all the colonial governments, and the *Times* vouches for the importance of the movement, which it regards as an epoch by the tone in which it discusses the whole question. That journal, the most delicate thermometer of influential opinion in England, argues that the remonstrances will be fruitless, and warns the colonies to rely on their own independence. From all this it appears that the attitude of England is sufficiently pronounced and comprehensible, and one of its effects will be powerfully to modify and ripen colonial opinion. At first, no doubt, among our own people, we may witness bewilderment and surprise. Some will make it a pretext to advance preconceived opinions, and others may at first turn from it in disgust; but in the end the sober

second thought of our countrymen, if the opportunity is afforded them, will grapple with the subject in a patriotic spirit and with a fair reference to its bearing upon the interests of both countries. In this spirit I propose to consider a little more fully the relations of this subject to our Canadian interests, and perhaps to extend in some further detail points to which I have already adverted. There is a class of politicians and publicists among us who pretend that until the great scheme of Confederation is perfected the talk of further change is a fatal disturbance to the public mind. And in a despotic country, where popular opinion can be dispensed with, where all power rests with the Government and the theories of free institutions are unknown, such a dictum might be tolerated. It would be consonant with such a view to discourage thought, to forbid discussion, and by all means to smother whatever should tend to promote an intelligent public sentiment among the people. They might learn to differ from the policy of their rulers, and this might lead to disturbance and alienation. But such a pretension implies insult to a free people and indicates the apprehension of those who proclaim it, that they may cease to overshadow and control them. The Irish difficulties are as intricate as any of the embarrassments of our own position; yet we did not hear that Mr. Bright was forbidden to discuss the Land question until after the disestablishment had been perfected. The truth lies entirely in the opposite sense. It is the duty of public men, whose lives are devoted to the study of public questions, to discuss them before the people, that they may be educated to comprehend the great issues which involve the destinies of their country. These writers would conceal, while I would proclaim from the house-tops, the stern facts of the situation. They would hush the popular interest—lull the spirit of inquiry—while I, reposing ample faith in their honesty and patriotism of my countrymen, would excite the one, that I might lead the other, through the paths of intelligent research, to the haven of wise and profitable conclusions. Doubtless there is too much of disquiet in the public mind; but to discuss the position is not to create it; and he must be a crazy thinker who can suppose that, in view of all the circumstances, the people are to look on without thought and without speech! But who is to control the impressions of the masses, to limit their thoughts, to curb their restless mental activities? The people are observant; in their own way they read the signs of the times, and among them the apprehension is almost universal that we are on the eve of radical political changes. You and I, no, doubt, share the same apprehension. Is it, not, then, the duty of our political teachers to cultivate our opinions, to enlighten us and to prepare us for our duties in whatever awaits us, rather than to silence our inqui-

ries and leave us to drift in the dangerous currents of uncultivated speculations! The great commercial want of this country is a profitable market for the surplus products of our industry. It was the theory of confederation to supply this want by opening up to us the markets of the sister provinces. I am afraid the results have not thus far greatly increased our scanty manufactures. Our natural market is the American, and we do, and shall suffer, till we gain access to it. Nor would a mere temporary treaty, subject to the caprices of politicians and entangled with the embarrassments of British foreign diplomacy, afford a full remedy. Manufactures and commerce prosper under permanent as well as liberal tariff arrangements, and it is in vain that you treat them with generosity to-day if there is apprehension that you may cramp them to-morrow. We require markets; but to confer their full benefits they must be permanent, so that capital may acquire confidence and seek permanent investments here. Without this state of things our trade must be limited and manufactures remain exotics among us; and, the exodus of our population remaining about equal to its normal increase, the promise of progress is not cheering. We ought to be manufacturers for this continent, with our cheap labor, cheap living and wonderful natural facilities. We cannot compete against the distance, the skill, the capital and teeming labor of the Old World, and there remains for us but the comparatively petty business of supplying our own sparse populations in unhealthy competition with the great manufacturing industries of England and America; and it often happens in time of depression, when our struggling manufactures most need encouragement and support, that we are made a sacrifice market for those great countries, to the ruin of our home trade. Our agriculture is confined to our own markets, or leached and crippled by the exorbitant exactions of the American Customs collectors. The development of our mines, too, is prevented by like inhospitable exactions, and we are depleted and impoverished by a paper wall of legislative prohibitions, built along an imaginary line. In this strait it is cold comfort to assure us that the neighboring trade suffers equally with our own; a fact, nevertheless, modified by this difference—that the aggregate of their commerce is so much greater than ours. It would be idle to doubt that these influences have contributed to produce the present languishing trade and universal depression. The *Canada Gazette* affords the spectacle of forty insolvents in one week; and the unfortunate list stretches back for months past in alarming proportions. The emigration of common laborers to the States is something actually alarming; and it could not be otherwise, for our water powers are neglected, our mines are closed, and we have no means of furnishing employment to our people. Some wise statesman has been understood to exult over the fact that many of these

poor people go away with the hope of returning; but it is a sad commentary on our hopes for the future if there are to be no means to remove the stern necessity, the hopeless poverty and want of employment, which drives them, unwilling, away. We are told that depression prevails in the States, which is true; but the manufactures are established there, and even the limited production goes on, the markets are supplied, and the poor laborer is employed and paid. It is to him matter of little moment whether the dividend of the stockholder is small or great, so long as his services are continued and he is enabled to sustain and educate his family. No doubt if a like chance were open to him here he would return to his native country to-morrow. And for all this, is there no remedy? Tell me which of your statesmen has proposed one. We may drag on as we are, but it were folly to hope for any rapid or general prosperity. The politicians of Ontario, ignoring the outward signs, profess to stand in no need of relief; but there is a different feeling in Quebec, New Brunswick and Nova Scotia. It is said there is hope of a new Trade treaty, which would be a great boon; but it must promise permanence, to create confidence. We must have free and assured commercial intercourse with the States, and they need it as well as ourselves. I shall be told these theories lead to annexation; and it is true that, so far as our embarrassments relate to commercial intercourse, annexation would supply a remedy. But would it be the best remedy? I think not; and even if it were otherwise, would it be desirable or possible of achievement? I shall speak of this later on. But mine is another scheme, and, I think, a better one, for a system of continental trade. I would banish the Custom Houses along the frontier; but I would preserve the imaginary line, as a broad division between two friendly nations, who desire, while maintaining free intercourse, to maintain their autonomy—to work out their own destiny and develop their own free institutions. Before the formation of the Zollverein by treaty stipulations, the commercial intercourse of the several German States was hampered by disabilities and restrictions similar to those which prevail between us and our neighbors at this moment. The introduction of merchandise from one State to another was not permitted without the payment of duties. In addition to this numerous prohibitions existed, and the trade relations between the contiguous sovereignties were fettered by oppressive and vexatious restrictions. But the inconvenience became manifest and intolerable, and the German States, while retaining their autonomy, introduced a wiser commercial policy. They removed those unnecessary burdens which only tended to clog enterprise and choke the channels of legitimate trade between contiguous States. They adopted one consolidated Government for commercial purposes, one line of customs on the Geographical bound-

daries was established—one tariff, export and transit, was enforced for all, and the revenue thus acquired was distributed among the members of the confederation in proportion to the population of each. This system for a long series of years has given satisfaction in Germany, and it is conceivable that Canada and the United States might adopt something akin to it with mutual and permanent advantage. This would be preferable to any Reciprocity Treaty, because it would be absolute and permanent free trade between the two countries. It is preferable again, because it could be more easily obtained, and would indeed be a favorite arrangement with the Americans. It would save both parties immense expense along their frontier, and would disband a vast army of smugglers. It might be effected in six months, and while it would be equally advantageous to our neighbors, it would make Canada a great agricultural, mining and manufacturing country. It would be popular in the United States because it would please the free trader, and Mr. Greeley, the great protectionist, has promised us his support. It would settle the Fisheries and give them the free navigation of the St. Lawrence, and it would open half a Continent to their enterprise and capital. It would give us access to the markets of 40,000,000 of people. It would attract to us unlimited capital, and our country would be dotted with numerous mining and manufacturing villages. Our agricultural and commercial interests would multiply and expand in proportion. Our people would be employed at home, and multitudes of foreign laborers would be attracted from abroad. Happiness and contentment would walk hand in hand with the prosperity of our countrymen. You like the picture, but alas! it has awkward shades; and it is set in an ugly frame. We can't negotiate such a treaty. Canada has great interests, but she has no power. She can exercise no diplomatic functions, because she has no recognized foreign relations. She might attempt it and be snubbed, after the manner of Prince Edward Island. There were those who sneered at my ignorance when I made this statement in the House, because the British Minister had been instructed to consult us in his negotiations. Do they think Mr. Thornton would negotiate this Zollverein for us? No! Because it would conflict with the policy of the Empire. Canada, as a dependency, can never become a party to a Continental Commercial policy here, because it would involve a discrimination against British goods. This is reasonable, and we must not complain of it. It would, indeed, be a vicious system, which would ignore the interests of the mother country and discriminate in favor of a foreign power. And yet how egregiously we are the sufferers! There is but one logical remedy, and that brings me again to the same conclusion—a separation from the parent State. Independent, we might accomplish this

commercial advantage. Independent, we might take the staff in our own hands. We should have foreign relations. We could negotiate treaties. In this sense we could not suffer from the change. We know our own interests, but British diplomacy on this continent has never been a success. It could not be otherwise. Imperial statesmen have little time to think of us. They are better employed on the restless sea of European complications. But they are wiser than us in the appreciation of our affairs, for they believe and wish that we should assume our independence and maintain it. We shall grow to it in time if we are patient and discreet. But the pioneers of the movement must bare their bosoms for temporary contumely and reproach. There is a class of people among us, I believe they are not numerous, though the uncertainties of the times are calculated to increase them, who are impatient of half measures, and who desire immediate annexation to the States. To such people I say, what advantages would you derive, that the Zollverein would not afford you? Surely you do not prefer the system of our neighbors to our own British responsible system of government. You are not unmindful of the elevation which national hopes and aspirations would impart to our people. Why not join us and work out that system under improved conditions on this continent? England would gladly consent to our independence and aid us with the perpetual alliance her statesmen have promised. But could she without loss of prestige and honor consent to the alienation of half a continent, and its cession to a foreign power? You only complicate the situation by your impracticable demands. You furnish weapons to the enemy, and you do not serve your own views. If Canada is ever separated from England, it will be at the cannon's mouth, if it be not to establish her sovereign independence. It is better for America, and better for ourselves, that the Dominion should remain autonomous. The United States territories are vast enough, and she can well afford to let us try the experiment of self government. We shall work out a system slightly different from her own, but within the bonds of friendly commercial relations. If her flag floated over the whole continent, where would be the right of asylum in case of civil disorder? And what benefit would she derive from a multitude of people who should enter her councils in a spirit of repining and discontent because they had not been left to develop and glorify their own nationality. And I must say a word to another class of objectors. There is a powerful party here who represent the United States as overbearing and aggressive. They believe that the inauguration of a commercial Zollverein would be followed by overt acts for our subjection. I believe this statement is unfounded. I have no doubt that judicious negotiations might speedily remove the danger of it, by the guarantee of our status,

through the means of a treaty of comity with us between the United States and England; and I have no doubt that early steps should be taken to secure it. But I don't believe it is fair to assert that the Americans are an aggressive people. They are, as a nation, wedded to the arts of peace. Sometimes filibusters have departed from their shores, but they have never succeeded, and they have never been encouraged by their government. As I have already said, Mexico, Cuba, and the Spanish American States have never suffered from an American spirit of conquest. True, there was a war with Mexico, but with that nation at her feet, the Americans refused her subjugation. With less cause France invaded that country, and attempted to monopolize her government. England, by a happy accident, escaped. But I shall be told that the Monroe doctrine contemplates the unqualified subjugation of the continent, and that the Americans preach that doctrine as Peter the Hermit preached the Crusades. So much has been said of the monstrosities of that doctrine—so many excellent old ladies have been alarmed by it—that perhaps we may profitably enquire what it was, and whether we should really regard it as a standing menace to us and our children? It will, perhaps, startle some people to be told that this doctrine was essentially of British origin, and that it was suggested by Mr. Canning. France had put down the constitutional principles which prevailed in Spain, and entertained the notion of defraying her expenses by acquiring Spanish colonies in South America, and England, indignant at conduct so detrimental to her interests, and with the aversion which Mr. Canning had ever shown to the Holy Alliance, induced President Monroe to enunciate the doctrine which has since become so famous. The following quotation, from the late edition of the *Encyclopædia Britannica*, will explain what that doctrine really was: "James Monroe succeeded Madison in the Presidency, and retained it eight years (1817 to 1825.) Towards the close of his administration (1823), in compliance with the suggestion of his Secretary of State John Quincy Adams, he introduced into his message to Congress—adverting into the purpose of the European allies of Spain to assist her in subjugating her revolted colonies in Central and South America—the assertion of a principle in which the rights and interests of the United States are involved, that the American continents, by the free and independent positions which they have assumed and maintained, are henceforth not to be considered as subjects for future colonization by any European power. * * * * *

"With the existing colonies or dependencies of any European power," continues the message, "we have not interfered, and shall not interfere. But with the governments who have declared their independence and maintained it, and whose independence we have on great consideration and on just principles acknowledged, we could not view any interposition for the

purpose of oppressing them, or of controlling by any other manner their destiny by any European power in any other light than as the manifestation of an unfriendly disposition towards the United States."

Congress took no action upon this; but the spirit of that body, and of the nation was in favor of the Monroe doctrine. Lord Brougham, in referring to the President's declaration, stated that it had diffused joy over all free men in Europe; and Sir J. MacIntosh spoke of it in the following terms: "This wise government, in grave but determined language, and with that reasonable and deliberate tone which becomes true courage proclaims the principles of her policy, and makes known the cases in which the care of her own safety will compel her to take up arms for the defence of other States. I have already observed its coincidence with the declarations of England, which, indeed, is perfect, if allowance be made for the deeper, or at least more immediate interest in the independence of South America, which near neighborhood gives to the United States. This coincidence of the two great English commonwealths—for so I delight to call them, and I heartily pray that they may be for ever united in the cause of justice and liberty—cannot be contemplated without the utmost pleasure by every enlightened citizen of the earth." Thus it will be seen that the real Monroe doctrine differs entirely from the popular version of it, that it was suggested and heartily endorsed by England, and that it conveys no warning or menace to us. I entertain no doubt that the American Government and people would promote, by all convenient means, the independence of this country, and the intimate commercial relations I have suggested, and as will have been seen, my doubts are as few, that England would encourage the arrangement and promote it to every reasonable extent. But even if improved trade relations with our neighbors were impossible, the safest way out of our commercial difficulties is to throw off the restraints of the colonial state. It is conceivable that the tide of European emigration might, to some extent, be diverted from the American States to our own rich and extensive valleys of the Northwest, but for the European prejudice against dependent States; and especially the Irish prejudice against British sovereignty. Disguise it as we may, these are serious drawbacks to our immigration policy, and account in some measure for its practical failure. With the Northwest peopled, and with facilities of access to it, an important market will be opened to us and a corresponding growth of our manufactures will follow. And as we have already seen, independence would contribute to the establishment of an assured and permanent commercial policy; without which capital will continue to distrust us, and refuse to play its legitimate part in the development of our resources. Independence moreover, would create among us that

spirit of self-confidence and enterprise which prevails so largely among our neighbors, which has contributed so much to their greatness and which grew out of the national independence they established. From such a point of view, I have no doubt that here similar results would flow from similar causes, and that our powers of expansion would be immensely increased, by the higher responsibilities of the position; and though, as I have shown, our natural market is with our neighbors; and our exclusion from them would make our progress towards greatness comparatively toilsome;—having exhausted all means to establish fair intercourse,—I should by no means despair of my country, if, as I am sure will not happen, that intercourse were refused. But even in that case as in the other, independence would multiply and accelerate our successes; so that in any way, the gain to us is in proportion to our growth in manhood and self-reliance. I have already considered the probable influence of independence upon the character of the people of this country. I have always lamented the want of a Canadian national spirit. I regard it as an elementary truth, that no people can respect themselves or command the respect of others, who have among them no common sentiment of national pride and devotion. It bears to national life a relation, similar to the filial attachment of the domestic circle; and is, at the same time the glory and the safe-guard of a free people. It is painful to remark its absence in this country. You will find national pride here, but it is an exotic, an importation. It is English or Scotch, Irish French and American; and the disposition to magnify a real Canadian nationality is too often and unhappily confined to the official, the placeman, whose duty and whose interest it is to make a proper display before the people. In how many promiscuous gatherings you might sneer the nationality of the Dominion without exciting an apologist or provoking an avenger. [But the subject is vast, and grows upon us in the contemplation of it. A full discussion would fill a book instead of a lecture. Time hurries me to a conclusion. This is a great scheme and your destinies are interwoven with it. I have touched upon its general features; you can do the filling up at your leisure, if you do me the honor to reflect upon what I have told you. We have seen that the subject is ripe for discussion; and that our vital interests are involved. We have seen that England is embarrassed by her relations to her dependencies here, and that Canada is crippled by the restrictions of the connection. We have seen how our noblest sentiments of loyalty to the crown may be merged and intensified into loyalty to the Dominion; and how a spirit of national patriotism is indispensable to our growth in enterprise and self-reliance. We have seen how the removal of Imperial tutelage, paved the way for the growth and expansion of the older

North American Colonies; and how rapidly, while administering their own resources, they rose into greatness and power. And we have seen how England was immensely the gainer, by this providential change of her relationship to them. I have shown how we might profit by their example—not through revolt and bloodshed,—for we find England offering us the boon of independence, which she denied to them,—and thus the way is made easy, through peaceful paths, for the accomplishment of our nationality. I have shown that the proposed state is but a second and necessary step in the great drama of confederation,—and, that it indicates no revolution, no violent distortion of our institutions. I have shown that England desires the change, and that we need it; and that it would happily solve for us great commercial and political problems. I have shown how it might lead to the cultivation of amity between ourselves and our neighbors—how it must tolerate the separate independence of each, while it embraces the widest freedom of commercial relations. I have warned the impetuous reformers, who would prize beyond all this, political alliance—that annexation is impossible,—and the agitation for it an embarrassment; and I have predicted that the Americans will be content with this change, so important and so easy of achievement; and which unlike its alternative, annexation, involves no humiliation to England. I have shown how the vast territories, the important population, and immense resources of this Dominion entitle it to a respectable place among the leading nationalities of the earth; and I have rebuked the critics who sneer at such aspirations, decry our abilities, and prophecy our humiliation and defeat. It may be all a dream; but it is a vision of a great future of wealth and happiness, of power and glory for our country. And it is a vision which foretells a fact, and will ere long expand into the region of substantial reality. I have necessarily left untouched several important branches of this great question. The army and navy—the diplomatic arm of the public service—the whole subject of the public expenditure—whether the new nationality would increase or diminish it, how best it may be provided, I have left altogether out of this preliminary discussion. It is enough for my present purpose to know that the ninth sovereign power as to population; the fourth as to commerce, and perhaps the first as to territory and undeveloped resources, will be prepared for the fiscal exigencies of its time. I have left out of the discussion the form of the proposed government of the Dominion. It is enough for my purpose to say that it must be a free system, whether organized as monarchical or republican. Further on in the agitation, we ought to have abundant opportunity to contrast the two systems and discuss them. It might happen that, as with Confederation, our politicians will give us a system, ready made, without troubling the people for opinions, yet the subject has

engaged some preliminary attention. The significant fact is stated that during the negotiations about the Confederation act in England, Sir John A. McDonald advocated the adoption of the word Kingdom instead of Dominion of Canada. And it is well known that a Canadian Monarchy was one of the dreams of the late Mr. D'Arcy McGee, administered by an English prince and dignified by a local nobility. And the able organs of the hierarchy of Lower Canada, who have cautiously written in favor of independence, are understood to favor similar views. On the other hand, there will be found those who dread the expenses of royalty, and who doubt the feasibility of ingrafting feudal forms and pageantry upon the democratic institutions of the new world. Such people see no charms in the extravagance of a court and the re-enactment of the laws of primogeniture for the maintenance of a privileged class. They will tell you that a system which failed in Mexico with France at her back cannot prevail here among the levelling influences of free institutions. But you and I may await the current of events, and prepare for the discussion in due season. It is well for these who agree as to the end to be achieved, to agree also upon the postponement of disturbing collateral issues. We shall find for a time yet a fierce party to fight—composed of those numerous and powerful interests which depend upon the maintenance of things as they are; and, embracing as well, no doubt, a large element of disinterested loyalty and honest devotion to the country. I proposed at the outset to speak from no party point of view. My theme is exalted above and beyond the divisions of party; and barring personal bitterness, my position has been assailed as fiercely by my friends as by my enemies. But this is not the occasion for recrimination or reply. My dependence is upon the completeness of my argument. I have strong views as a party man, but they have no place in this discussion. I might cross the house to-morrow—if I found my enemies adopting these views, and if my friends should persist in opposing them. There is a grave responsibility resting upon our public men. The country is adrift and the public mind is disquieted. Everybody believes the finality is not reached and asks, *Whither are we drifting?* Some suspect that the administration hold peculiar views—but they neither venture to deny nor proclaim them. When I had the honor first to express these opinions on the floor of Parliament ministers treated me to some personal abuse, but upon the main question they were cautious and silent. There was a profound impression through the house—but they ventured upon no word of disavowal. Their opinions were shadowed in mystery and they had not the courage to proclaim them. Afterwards when this strange phase of the debate had provoked some comment from the press, Sir George Cartier did indulge in a gentle dissent from my conclusions. Nobody denies that a change must come,

the question of time and fitness and preparation. It is adrift, and the policy of the administration is not avowed and vindicated. If they are opposed to their faces boldly and publicly against it, and if they want delay and opportunity to declare their views and shape their policy, no one could afford to wait, if there were a fixed idea of a desirable future. But grave dangers and the insecurities of the hour are fast losing our hold upon the loyalty of the people. Discontent and non-confidence stalk openly among our enemies of our future are encouraged to flaunt before our very doors. A national policy, pronounced and avowed, would attract the ear and excite the confidence of the people. They would listen to your appeal, if you supplied them with motives, and awakened their sympathies, inspired them with national hopes and—
—and their interest in a future they could be proud of, would give them a sheet anchor to hold them fast to the Dominion. And now gentlemen, I have fulfilled the duty which, I thought, was incumbent upon me, of addressing you some observations, on this absorbing topic of the hour. I have counted the cost and I know the penalty. You have not misunderstood,—but my enemies, as is their custom, will misrepresent and malign me. I shall be neither intimidated nor disheartened. If my views prevail, some of them will join me before the battle is over. If they are rejected, I have still performed my duty. Sometimes it requires boldness to speak the truth, but there is no power to stifle free discussion in this country. You and I have a right to our opinions, and the right to discuss them. The statesmen of England have set us the example, in the very citadel of the empire. There is no political disability here,—for the councils of the nation are presided over to day by men,—some of whom lately sought to subvert the government,—and others to promote its immediate annexation. They are loyal citizens now, and so are we. Time changes conditions and works marvels and time will accomplish the great destinies of this country,—and let us hope, in a manner most conducive to the happiness of its people. In such a case, though my theories should be exploded, my hopes would be fulfilled. Let us hope, too, whatever betides,—in this great crisis of our history,—for an advancing intelligence—of brotherhood and toleration among us. And let us prayerfully commend our country, its future, its people, to the gracious protection and guidance of the great Father of Nations.

THE INDEPENDENCE OF CANADA.
and how rapidly, while administering their
greatness and power. And we have seen
gainer, by this providential change of
own how we might profit by their
self,—for we find England offering
denial to them,—and thus
the accomplishment of
the great work of
the world.

THE GOLD CLIQUES.

There is one question which the public are anxiously asking about the gold cliques, namely: what are the names of its members. Other things the people have been told with the most ready frankness, but this is as much a mystery as ever. It is known, for example, that the capital actually owned was small, and the length of time in which the clique was at work was much less than was supposed. A competent authority says that ten or twelve days only elapsed between the first purchases of the clique at 135, and its closing transactions at 160 or over on Friday, the fatal 24th of September. We are also told that up to the very day previous, the clique did all its business through its brokers, Smith, Gould, Martin & Co., who employed other brokers, and carried on their scheme so skilfully and quietly that they bought 25 millions, at least without putting up the price beyond $137\frac{1}{2}$ until the 22d September, when they purposely advanced it to $141\frac{1}{2}$, and later to $148\frac{1}{2}$. The 25 millions of purchased gold is supposed to have cost an average price of 139, and was freely loaned to the bears, considerable sums of money being called up as margins with every successive advance of the quotations. In embracing this policy the clique appear to have adopted the maxim of Napoleon, which was that "the enemy should always bear the cost of the war." The clique, by lending not only received the money back which they had paid for it, but got their gold "carried" for nothing, compelled their opponents to pay them interest for the privilege of "carrying" it, and called up margins so as to obtain new funds wherewith to go into the market again to make fresh purchases.

Up to Thursday, the 23d of September, everything worked like a charm. But on that day something happened. The Tenth National Bank was visited by those polite gentlemanly men from Washington, who at once began to examine the books of the bank. A cheque for a million of dollars drawn by the clique was, it is affirmed, refused certification, as the bank examiner inspected every cheque which came in and was particularly careful to see that the law was not violated, which requires, on pain of forfeiture of franchise, that no bank shall certify cheques ahead, or shall lend to any one firm or individual more than one-tenth of its capital. The bank machinery of the clique was thus disorganized. It was useless to apply elsewhere. Fortune was deserting the gold gamblers. Such is the story which has been told in Wall street, published without contradiction in the newspapers and believed by well-informed persons to be true. The next movement was to save Gould, Martin & Co., if possible, from the risk of failure by a method which we will quote from a

morning paper that has evidently obtained access to authentic information and claims to speak by authority. The *Sun* of yesterday says:

"On that Thursday night the clique determined to bring their scheme to a head. They had gold enough to enable them, as they supposed, absolutely to control the market; and their game was to press the price to the utmost, and gather in the margins on their immense loans, or compel settlements at such figures as they might dictate. In order, however, to carry out this scheme, it would be necessary to keep on buying gold to make a market. They did not want any more gold, but rather desired to sell what they had, and garner up their winnings. Gold was intrinsically worth but about 185, to which price it must inevitably fall when the movement should be accomplished; and those to whom the clique should sell at the high prices to which they intended to force the market, must of necessity be ruined. The gold that the clique would have to buy in forcing up the price would also be a dead loss to them should they be compelled to carry it. In this dilemma they apparently determined on playing the stale game of letting some of their own party break, while the others were to bag the spoils, and hold them until the final division. This was the scheme, and one of its features was that Smith, Gould, Martin & Co. were to be kept afloat. Accordingly, on Friday morning the base of operations was changed from the office of that firm to that of Wm. Heath & Co., from which place all the orders of the clique now emanated, while Smith, Gould, Martin & Co., as a firm, were left to operate ostensibly on their own account."

How gold was on the following day forced suddenly and amid unparalleled excitement to 162½ from which point it fell to 130 in a few minutes on the announcement of Mr. Boutwell's intended sale of four millions—all this is fresh in the memory of our readers and will form one of the most notorious practices of this great gambling fiasco. The catastrophe had not taken place until the clique had bought, through Albert Speyers 88 millions, through Belden & Co. 30 millions, through Smith, Gould, Martin & Co. 25 millions, and through other parties 15 millions more. The whole amount was 108 millions and was bought in the space of two or three hours by a clique of desperate men whose united capital, all told, did not probably reach two millions of dollars. The example of such bold audacity was infectious. The 108 millions which the clique claim to have bought stimulated the crowd in the gold room and an aggregate of 500 millions of gold is supposed to have been bought and sold on that memorable Friday forenoon.

These are some of the facts which the gold clique have allowed to transpire. They have even been communicative enough to tell the world that on Thursday night they had gained four millions of dollars; that on Friday the operations of Smith, Gould, Martin & Co. resulted in a loss of over 3½ millions, reducing the profit of the clique from 4 millions to \$376,250 if they could successfully carry out their scheme of repudiating everybody else and carrying that firm safely through. If, however, the clique shall be compelled to stand by all their other brokers, including Speyers, Heath, Belden and others, then they stand to lose on the whole of the transaction the prodigious sum of \$13,545,000. The imagination almost refuses to credit the unparalleled boldness of the schemes which

have been here partially unfolded to our view. If the statements had not been published with a positive claim to authenticity we should not have ventured to put them on record. We do not vouch for the accuracy of the facts, but they are believed to be at least approximately true. In any case, there is abundant evidence that this clique movement, like almost every other "pool" that has at any time been organized in Wall street, has inflicted loss on its members, whatever gains outside parties may have made by it. The prodigious extent of the losses in this case will lend no small importance to the query with which we began, Who were the members of the gold clique?

GOVERNMENT PURCHASES OF BONDS.

The amount of bonds purchased by the Secretary of the Treasury and held by him under the Sinking Fund act, or subject to the future direction of Congress, has now reached the large sum of \$57,773,000. As the first purchase was made on the 12th of May, the period in which this amount has been taken off the market is only about five months.

The table given below contains the details of each purchase of bonds thus far made; showing the date, the total amount offered each time, the amount of each class of bonds accepted, and the total amount of each class now held by the Secretary of the Treasury. It has been compiled with much difficulty, from the fact that the reports published in the newspapers are frequently erroneous in some particulars, and correct results could only be obtained by comparisons and further examination.

The facts obtained from the figures below in regard to the general movement of Government Securities, are of much interest. We find that the coupon bonds of 1867 have been purchased more largely than any other class, amounting to \$14,733,650. Next come the coupon bonds of 1865 new, amounting to \$11,418,350, and next the registered issue of 1862, amounting to \$6,355,050. The coupons of 1862 show the smallest figures, the total purchased being quite insignificant.

The amount of each class of bonds held by the Secretary becomes of importance in regard to the item of accrued interest, and the additional purchases made by him to represent matured coupons; the total amount of January and July bonds, and of May and November bonds, can here be seen at a glance. It is also desirable that dealers in government securities should have a record of the amount of each issue, registered and coupon, taken off the market.

GOVERNMENT PURCHASES OF GOLD.

Date of Purchase.	Total Offered.	Amount Taken.	1863.		1864.		1865.		1865, new.		1867.		1868.	
			Reg.	Coup.	Reg.	Coup.	Reg.	Coup.	Reg.	Coup.	Reg.	Coup.	Reg.	Coup.
May 12....	\$3,440,000	\$1,000,000	300,000	....	25,000	675,000	150,000	....	....	....	....	....	....	....
May 19....	4,146,000	1,000,000	46,000	....	100,000	....	100,000	....	....	....	704,000	....	....	....
May 26....	4,000,000	1,000,000	635,000	....	225,000	....	270,000	....	....	....	....	....	....	....
June 2....	4,145,000	1,000,000	255,000	....	25,000	....	100,000	....	....	....	....	....	....	....
June 9....	4,950,000	1,000,000	....	....	....	....	....	....	....	....	....	....	....	....
June 16....	3,905,000	1,000,000	....	....	....	....	....	....	....	....	....	....	....	....
June 23....	5,860,000	1,620,000	65,000	....	....	....	....	....	....	....	....	....	....	....
June 27....	4,930,000	1,000,000	225,000	....	....	....	285,000	....	100,000	....	....	....	....	....
July 1....	3,500,000	1,000,000	40,000	....	20,000	....	275,000	....	....	....	....	....	....	....
July 8....	5,000,000	3,000,000	74,000	....	50,000	....	105,000	....	....	....	....	....	....	....
July 9....	5,475,000	3,000,000	257,000	....	20,000	....	310,000	....	6,000	....	....	....	....	....
July 14....	9,000,000	3,000,000	....	....	164,000	....	23,000	....	....	....	....	....	....	....
July 15....	6,383,000	1,000,000	....	....	....	....	1,395,000	....	....	....	....	....	....	....
July 21....	12,000,000	8,000,000	75,600	19,400	101,000	739,500	150,000	612,500	347,000	421,000	195,000	170,000	6,000	165,000
July 28....	7,000,000	8,000,000	535,000	....	260,000	123,000	147,000	....	1,320,000	200,000	200,000	....	6,000	500,000
July 29....	4,047,000	1,000,000	461,000	....	100,000	....	95,000	....	228,500	13,000	....	....	6,000	87,500
Aug. 4....	4,212,250	2,000,000	485,000	3,500	260,000	299,150	167,000	91,800	190,000	295,500	47,000	....	90,000	6,000
Aug. 11....	7,850,000	2,000,000	144,000	....	180,000	187,500	156,000	276,000	58,500	728,250	114,500	44,000	20,000	26,500
Aug. 12....	2,253,000	1,000,000	180,000	....	55,000	25,000	415,000	30,000	20,000	19,000	53,000	....	....	....
Aug. 18....	1,138,200	1,138,200	84,000	....	78,500	80,900	168,800	256,500	....	....	....	....	....	....
Aug. 19....	2,177,300	263,500	265,000	....	442,800	3,500	....	....	....	....	....	....	....	....
Aug. 25....	3,905,050	2,000,000	261,250	70,000	190,500	298,500	298,500	761,000	23,000	183,500	4,200	185,950	....	15,000
Aug. 26....	2,885,000	1,000,000	272,000	....	65,000	90,000	25,000	314,000	....	20,000	4,000	....	21,000	....
Sept. 1....	6,731,750	2,000,000	183,500	....	515,500	124,000	290,000	25,000	143,000	256,700	160,000	....	....	....
Sept. 8....	8,457,050	2,000,000	48,000	....	98,000	216,000	87,000	38,000	37,000	724,000	....	....	....	....
Sept. 10....	675,500	675,500	7,000	....	500	192,700	26,050	250,000	....	36,500	21,950	129,450	....	....
Sept. 11....	1,300,000	334,500	60,000	1,000	1,000	2,000	15,000	63,900	5,600	104,000	5,000	26,000	....	2,000
Sept. 14....	5,474,100	2,000,000	177,000	20,100	70,550	59,000	18,300	595,300	121,500	335,000	437,600	38,750	25,000	23,000
Sept. 22....	7,010,000	2,000,000	11,000	....	87,000	108,750	232,000	336,200	305,450	644,500	223,000	33,800	....	28,700
Sept. 23....	2,671,500	1,000,000	117,500	....	187,000	195,000	10,000	....	28,000	129,000	60,000	70,000	....	73,500
Sept. 25....	9,387,500	8,000,000	230,950	2,000	37,500	3,500	69,000	170,000	23,500	1,881,300	60,750	435,800	....	92,500
Sept. 29....	8,664,050	8,000,000	228,950	....	84,100	600,000	41,200	147,200	165,800	1,392,000	65,000	319,700	6,500	5,000
Oct. 6....	9,714,750	2,000,000	66,000	17,000	114,000	25,000	8,500	200,000	98,000	1,280,700	15,200	218,000	....	17,000
Oct. 7....	5,476,000	1,153,500	12,000	....	23,000	35,000	2,000	5,000	44,000	283,200	83,000	746,200	....	....
Oct. 13....	7,219,450	2,000,000	54,000	....	85,000	300	1,000	6,000	68,000	612,500	14,600	1,155,000	....	8,500
Total....	.....	57,778,000	6,235,050	188,000	3,195,050	4,881,300	4,176,400	6,031,700	2,025,450	11,416,860	2,554,800	14,733,650	534,800	1,597,950

THE LESSONS OF THE CRISIS.

The late disaster in Wall street is to be prized for its lessons if not for its losses. It was the result of a speculation wholly factitious and unnatural. A ring of speculators, with large capital and equal daring, undertook to control the entire supply of gold upon the market. Their operation was not based upon any natural tendency of the premium; on the contrary, the common conviction that the price of gold must decline had induced very general sales for future delivery; and it was upon these transactions, coincident with the bent of the market, that the clique undertook to force the premium in an opposite direction. Thus the speculation was an effort to coerce the gold market against its natural direction; and to this circumstance it owes its failure and its ruinous results. The more the clique advanced the price, the more unreasonably high did it appear, and the greater became the apparent inducement to sell. Through this sort of manœuvering, the time contracts to deliver gold were swelled to an amount immensely exceeding the stock of gold upon the market. The sales were made, as we have stated, upon correct views as to the real value of gold; but the deliveries had to be made by coin to be first borrowed and ultimately purchased from the very parties to whom it had been sold; hence the clique, having the sellers, as they supposed, entirely in their power, attempted to compel them to buy in the gold from them at 20 to 30 per cent above the figures at which they had originally bought up the market supply. Had the scheme succeeded, the street would have had to purchase from thirty millions to forty millions at 20 to 30 per cent above the price at which they sold it; with the result of a transfer of about ten million into the pockets of the combination.

Such a speculation can be regarded in no other light than as the most reckless and licentious gambling; and, as such, it may be taken as an illustration of the dangers of illegitimate speculation. The sellers, while relying upon the natural course of the premium, could not but be aware of the character and power of the scheme against which they were contending; and, so far, they were as reckless as the clique. And this fact further shows how easily the spirit of wild speculation may seduce a large proportion of the brokers, including firms of respectable standing, into operations risking an enormous amount of capital upon chances just as fickle and uncertain as those of the faro bank.

The culmination of this speculation was attended with circumstances by no means creditable to the business morals of Wall street. When it was discovered that the combination had drawn the street into engagements involving enormous losses, and that the game was a heavily losing one, there was in many cases an effort to evade or directly repudiate con-

tracts ; street honor, hitherto the chief protection of Wall street dealings, being regarded as secondary to the preservation of something from the common wreck of fortunes. We do not pretend to judge whether the gambling character of the operations does not in some measure palliate these evasions of contracts ; but we do hold that it is a matter of profound humiliation and regret that houses of fair standing in the financial community, and entrusted with important transactions by the public, should be found willing to engage in operations leading to such dishonorable expedients for self-protection.

It should be learned from the experience of those two weeks that the dangers connected with excesses in speculation do not end with the mere losses on contracts. In the present case, we have witnessed a derangement in the whole machinery of Wall street. The recklessness with which dealers, within one or two hours, rushed into contracts covering many millions of gold, at immense differences of price, of necessity produced a sudden convulsion in credit operations. It was seen that many must be injured or ruined ; and the uncertainty as to who might be the losers caused an indiscriminate caution among the banks and money lenders generally, so that for a time money could hardly be borrowed upon any terms. Many of the dealers in gold being at the same time engaged in the stock business and having outstanding engagements in the Stock Exchange, the panic instantly spread to the stock market. Stocks fell to such an extent as to exhaust the margins on which they were carried and were consequently thrown upon the market in immense blocks, precipitating a further decline, and involving the weaker class of holders in ruinous losses. The extent of injury thus resulting is but very partially indicated by the failure of several prominent stock houses. Large numbers of private holders of securities have been brought to the verge of ruin, and their stock has been transferred at panic prices to the hands of a wealthier class, who are about the only parties benefited by the disaster. Operations naturally tending to these results cannot be too severely condemned. They are demoralizing and mischievous to the last extreme ; and those who engage in them cannot be expected to receive the confidence awarded to prudent men of business.

If the Wall street community cannot feel itself secure against the recurrence of these dangerous excesses, it is clear that prudent firms must recognise the necessity of protecting themselves and their customers by broader " margins " upon speculative transactions than have been hitherto accepted. In times when speculation was less rampant and fluctuations less sudden and extreme, a margin of 10 per cent might be deemed an adequate protection ; but in these days, when cliques of immense wealth undertake to make money inaccessible by " locking up " millions of cur-

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK IN JULY, 1869.

Specie in banks June 26.....		\$30,287,140
Treasure received from California by steamer.....	\$95,314	
" " overland.....	672,042	
Imports from foreign ports.....	201,268	
Coin interest paid out.....	17,884,425	
Treasury sales of gold.....	2,000,000	21,884,209
Total reported supply.....		\$41,651,849
Withdrawn for export.....	\$8,474,624	
Withdrawn for customs.....	10,502,045	16,976,669
Specie in bank July 31.....		27,871,933
Total withdrawn and in bank.....		\$44,848,602
Excess of withdrawals over reported supply.....		3,237,253

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK IN AUG., 1869.

Specie in banks July 31.....		\$27,871,933
Treasure received from California by steamer.....	\$124,977	
" " overland.....	823,224	
Imports from foreign ports.....	159,927	
Coin interest paid out.....	1,267,983	
Treasury sales of gold.....	2,000,000	4,551,211
Total reported supply.....		\$32,423,144
Withdrawn for export.....	\$3,027,940	
Withdrawn for customs.....	14,819,915	17,847,855
Specie in banks August 23.....		19,469,103
Total withdrawn and in banks.....		\$26,816,957
Excess of withdrawals over reported supply.....		4,393,813

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK IN SEPT., 1869.

Specie in banks August 23.....		\$19,469,103
Treasure received from California by steamer.....	\$41,974	
" " overland.....	1,657,289	
Imports from foreign ports.....	1,511,487	
Coin interest paid out.....	4,858,838	
Treasury sales of gold.....	6,000,000	13,619,088
Total reported supply.....		\$31,068,190
Withdrawn for export.....	\$1,835,170	
Withdrawn for customs.....	12,514,825	14,350,495
Specie in banks October 2.....		15,902,819
Total withdrawn and in bank.....		\$30,242,814
Excess of reported supply not accounted for.....		8,845,876

RAILROAD EARNINGS FOR SEPTEMBER AND FOR TEN MONTHS FROM JAN.
1 TO OCT. 1.

By special effort in obtaining information direct from the offices of several companies, we have been able to compile our monthly statement of Railroad Earnings at a much earlier date than usual.

The general statement is quite favorable, many of the roads showing an increase over the same month of 1868, while the decrease shown on several others seems to be quite satisfactorily accounted for by temporary and special causes.

It must be remembered, in comparing the months of September and October with the same months of 1868, that the earnings in those months last year were very large; the grain crop was hurried forward at the

West with great urgency, and some of the Western roads doubled their receipts during that period, but fell off again quite as suddenly in November. The prospect for permanent heavy traffic on the principal lines of railway at the West was never better than now ; the crops are large and the country in good condition, with an immigration of settlers which is developing the lands adjacent to railroad lines with wonderful rapidity.

In the case of Milwaukee and St. Paul Road, which shows a considerable decrease in earnings for the month, the falling off is fully accounted for by the circumstance that spring wheat moved to market quite three weeks later this year than last ; a million bushels more of wheat were shipped over the road in September, 1868, than in the same month this year. Wheat is now coming forward freely, and the earnings of the last week in September were very large.

The consolidated lines of the Lake Shore and Michigan Southern Railway from Buffalo to Chicago show a fair increase in earnings, and it will be noticed that this is now among the few lines whose figures for the month exceed a million dollars.

In the table below we give the earnings for the past ten months of the year, in which it will be observed that all the roads show an increase, with a single exception.

Two companies are omitted from this statement, no comparison for the year being possible.

EARNINGS FROM JANUARY 1 TO SEPTEMBER 30.

	1869.	1868.	Inc.	Dec.
Chicago and Alton.....	\$3,463,296	\$2,253,656	\$229,660	....
Chicago & Northwestern	2,939,438	2,713,896	276,047	....
Chicago, Rock Island & Pacific	2,880,800	2,356,280	474,079	....
Illinois Central.....	6,184,772	5,539,111	595,611	....
Marietta & Cincinnati.....	1,017,305	922,471	94,834	....
Michigan Central.....	3,436,430	3,256,496	179,932	....
Milwaukee & St. Paul.....	4,812,216	4,454,836	357,381	....
Ohio & Mississippi.....	2,084,576	2,163,212	....	128,637
St. Louis, Alton & Terre Haute.	1,450,969	1,281,510	69,459	....
Toledo, Wabash & Western.....	3,107,060	2,890,569	246,461	...
Total.....	\$39,275,296	\$36,861,019	\$2,522,914	\$128,637

EARNINGS FOR SEPTEMBER.

	1869.	1868.	Inc.	Dec.
Chicago & Alton.....	\$501,258	\$486,196	\$15,062	\$....
Chicago & Northwestern	1,821,139	1,518,463	....	197,344
Chicago, Rock Island & Pacific.....	579,000	538,386	20,614	....
Cleveland, Col., Cinn & Indianapolis.....	827,801	297,451	40,350	....
Illinois Central	915,020	890,966	25,054	....
Lake Shore & Michigan Southern.....	1,999,725	1,207,496	32,229	....
Marietta & Cincinnati	149,473	121,319	18,054	....
Michigan Central.....	473,546	456,974	16,572	....
Milwaukee & St. Paul.....	734,514	1,024,045	....	294,531
Ohio & Mississippi.....	292,808	297,122	....	14,219
St. Louis, Alton & Terre Haute	200,190	196,496	3,694	..
Toledo, Wabash & Western.....	470,720	450,208	20,517	....
	\$7,196,129	\$7,894,977	\$198,046	\$511,194

RAILROAD CASUALITIES.

The lately published report of the State Engineer and Surveyor for the year 1868, contains many interesting facts concerning the railroad system of New York and its practical management by the companies controlling the various lines throughout the State. Among these the statistics of accidents resulting in the killing and wounding of passengers and others, are worthy of especial attention. For the year ending Sept. 30th, 1868, the Erie Railway carried 2,194,348 passengers. The number of miles run by passenger trains was 2,471,594, and the average rate of speed per hour was 26 miles for ordinary trains and 30 for express trains. The length of the road, including branches, is 821 miles. During the year 29 passengers were killed and 86 injured on this road, the greater part of whom were the victims of the memorable disaster at Carr's Rock, on the 14th of April, 1868. The New York Central during the same period carried 3,679,150 passengers; its passenger trains running an aggregate of 1,990,150 miles, at an average speed of $30\frac{1}{4}$ miles per hour. The length of the road is 297.75 miles. During the year no passengers were killed, and only six injured. On the Hudson River Road during the year the number of miles run by passenger trains was 805,628, and the average speed $31\frac{1}{2}$ miles per hour. This road is 144 miles long, and has double tracks for the entire distance. Of the 2,129,288 passengers carried, none were killed and only five injured. The New York and New Haven Railroad carried during the same period 2,192,989 persons, running 657,897 passenger trains, at an average speed of $31\frac{1}{2}$ miles an hour. This road is $62\frac{1}{4}$ miles long. During the year no passengers were killed, and but three injured. On the Rome, Watertown and Ogdensburg and the New York and Harlem roads, carrying respectively 497,333 and 1,667,578 passengers, none were killed or injured during the year. These figures show that the main lines of the State are well and carefully managed. Leaving out the Erie Road, on which 26 were killed and 72 injured by the one unfortunate accident before mentioned, the returns show that on four other roads above named but one passenger was injured for every 316,000 miles run. Counting in the Erie, the ratio is one killed for every 194,871 miles, and one injured for every 58,252 miles traveled by passenger trains during the year.

Considering the extent of the business done on our principal roads, and the average speed at which trains are run on them, the number of killed and wounded is comparatively small. Unfortunately, however, this cannot be said of American roads in general. Scarcely a day passes without the telegraph bringing information of one or more accidents, more or less serious in their consequences, that have occurred during the preceding

twenty-four hours. Not long since we noticed seven of these announcements, reporting the violent death or severe injury of fifteen persons in all, in one issue of the daily journals of this city. So frequent, indeed, are these so called "accidents" that, unless the attendant circumstances are peculiarly aggravated, or the list of killed and wounded exceptionally large, they seldom attract more than a passing notice outside of the neighborhood where they occur. The statistics of railway casualties show that, during a period of fifteen years from 1853 to 1868, inclusive, the number killed on the railroads of the United States was 2,953, and the number wounded 10,500. When to this aggregate we add the number of casualties occurring this year, it will be seen that railroad travel in this country is dangerous in the extreme.

Clearly, there is something wrong in the system of management adopted on most of the roads in the United States that should be promptly and effectually remedied. Such frightful tables of mortality are unheard of throughout Europe. It is stated that during a period of nearly four years but three accidents have occurred on European railways, resulting in injury to the persons or property of passengers; and in each of these instances the causes were practically beyond the control of those responsible for the management of the roads on which they happened. Supposing our railroads to be well built and properly equipped, as a due regard to the safety of passengers requires they should be, it is evident that the greater degree of danger attending railroad travel in the United States than in Europe is mainly attributable to the want of a proper system of management. Experience has shown that travel by rail can be made both safe and expeditious, as it is in Europe at the present time; and this is accomplished by very simple expedients.

First and foremost, perhaps, is the fact that the managers of all public works in Europe are held to a stricter accountability by the government, as well as by public opinion, than they ever have been in this country. This is seen in many ways. In the matter of punctuality alone, the contrast between the operations of European and American roads is marked and striking. Every trip is made with unfailing regularity according to the tables, in consequence of which no time is lost by delays to be made up, as too often happens in this country, by sudden dashes of extraordinary and dangerous speed. So great is the vigilance exercised that it is known, at any moment, precisely where a train is; and no train is allowed to start out on a venture, without its being certain whether the way is clear or not. As the tracks are always double, direct collisions are impossible, and as the position and movements of every train are known, obstructions are always removed in time to leave a clear track for passenger trains. No doubt the principles of this system

of management are nominally adopted on every American railroad; but the want of greater vigilance in the observance of rules and regulations, on the part of engineers and conductors, and the willingness to take risks which, even if unsuccessful and disastrous, will be allowed to pass unpunished, have led to most of the accidents occurring on our roads.

Another reason for the greater safety of railway travel is the careful police of every part of the roads. Experienced and trustworthy watchmen are stationed at frequent intervals along the road, whose duty it is to see that the section of track under their charge is safe and free from obstruction. In this important particular the management of most American roads is essentially defective. Not long since an accident occurred on the Pennsylvania Central, killing two men, seriously injuring a number of others, and destroying much valuable property. The cause of the disaster was a huge fragment of rock that had fallen on the track, and remained there undiscovered until the train was wrecked on it. In Europe such an accident never has and never could happen. Every foot of road is there inspected before and after the passage of each train, and the engineers are never out of sight of one of these vigilant watchmen for a longer time than two or three minutes. Consequently we never hear of stray cattle, fallen rocks or other obstructions in the way of passing trains, no one tampers with the rails or misplaces the switches, nor are draws left open, or culverts, bridges or embankments washed away, without the fact being known in time to prevent accident. In the United States there are thousands of miles of railroad that are not carefully policed oftener than once a week, if as often; and it is only a wonder that on these long stretches of neglected track accidents are not of more frequent occurrence. The cost of maintaining a large force of intelligent and experienced men as watchmen is unquestionably great; but we have no doubt that the amount thus saved in the prevention of needless and costly accidents on American roads would more than cover the expense thus incurred by the companies.

When an accident, however slight, occurs on any of the railways throughout Europe, a thorough and searching investigation is at once instituted by the public authorities, as well as by the officers of the company on whose line it happens, and when carelessness or negligence is proved, the guilty officials are punished. On one of the French railroads the misplacement of a switch, which turned the train from its proper course, was followed by the sentence of the switch-man to a heavy fine and term of imprisonment, although no one was seriously injured. In another case a division superintendent was sentenced to three years' imprisonment for the delay of a train, resulting in a collision by which one passenger was killed and others wounded. In this country the heaviest

penalty awarded for such offences would be dismissal from the employ of the company—although such a disgrace would not prevent the guilty person from engaging elsewhere in the same position. Or, perhaps, a coroner's jury will be empaneled to take evidence, and the result will be a vote of censure. An illustration is seen in the case of Griffin, the Erie engineer, whose carelessness caused the recent disaster at Mast Hope, and who was lately acquitted after a formal trial, in which his guilt was clearly proved by the evidence adduced. Pecuniary damages are sometimes awarded to a few of the principal sufferers, who can afford to sue the companies, but beyond this nothing is ever done and the matter is quickly forgotten.

We do not expect too much of the railroad companies. It is unreasonable to demand that railroad travel shall be attended with no risk; but it cannot be denied that it may be made far safer than it now or ever has been in the United States. The fact that, with but few exceptions, accidents are prevented in Europe, and that in these cases somebody can be held responsible and punished accordingly, shows that with a system of management equally perfect in all its details, the number of casualties occurring on American Railroads might at least be greatly reduced.

THE LOUISVILLE CONVENTION.

Before the war, Southern Commercial Conventions were common enough. There was, however, much of fretfulness and dissatisfaction in them, and they were most emphatically sectional. Since the war, this has all changed, several commercial conventions having been held at the South, but in each there has been manifest far more of a national spirit than had animated their predecessors. The last great gathering was at Louisville, Ky., on the 13th inst., to which delegates appeared from 29 States. Of the whole number, (more than 520 in all,) 277 were from Southern States, 107 from Western, and 32 from the Eastern and Middle States. The Convention had for its presiding officer Ex-President Fillmore, and on the roll of its delegates were many prominent merchants and representative men of business from the various States from which delegates appeared. There was manifest a generous patriotism, a comprehensive public spirit, a forbearing disposition and an intelligent view of the great cereals of the country in the development of its resources, so that all sections should be benefited. If local or sectional ideas obtruded themselves, or if politics appeared, these opinions were checked or modified and the action taken was for the good of all.

In arranging the business of the Convention, committees were appointed; and reports were made on the following subjects:

1. On Southern Pacific Railroad.
2. On Railroads in General.
3. On Direct Trade with Europe.
4. On Immigration.
5. On Finance and Banking.
6. On Manufactures and Mining.
7. On the Mississippi Levees and Improvements.
8. On the Tennessee river and its Improvements.
9. On River Navigation, Canals and other Improvements.
10. On Agriculture.
11. On continuous Water Communication between the Mississippi river and the Atlantic se. board.
12. On the removal of obstructions to a cheap and easy outlet through the Mississippi into the Gulf.
13. On Miscellaneous Business.

With regard to the Southern Pacific Railroad there were three reports; one from a committee of the late convention at Memphis, and a majority and minority report from the committee appointed by the present convention. A vast array of statistics was given, and the whole subject was reviewed at great length. The conflicting views related chiefly to the termini of the road, and to the parallel of latitude in which it should be constructed; but the route finally determined upon was on the 32d parallel, leaving to the legislation of Congress the terminus on the Mississippi river. Closely allied to this question was a discussion of the influence of this railroad in inducing immigration, in opening new markets and in putting an end to the difficulties with the Indians. The resolution embodying the views of the convention upon this point was as follows:

Resolved. That this convention memorialize Congress to grant the right of way and such subsidies as may seem just to a Southern Pacific railroad from San Diego, Cal., via the junction of the rivers Colorado and Gila, along the valley of the Gila, and south of the same to El Paso, on the Rio Grande, and thence to a convenient point near the 32d parallel of north latitude east of the Brazos or near that river in the State of Texas; to which main trunk feeder-roads may be built from Leavenworth, St. Louis, Kansas City, Cairo, Vicksburg, Memphis, New Orleans and Galveston on the east, and Guaymas, Mazatlan and San Francisco on the west, and such other roads on the east or west as may be desired, with equal right of connection to all.

The second subject in the order of business was "Railroads in General." The committee wisely refrained from specifying local objects. They recommended co-operation in railroad management, the remedy of breaks and obstructions in railway lines, the connection of tracks and uniformity of gauge. In their resolutions they urge the building of railroads to the Gulf ports, in order to make an outlet for produce which seeks a market in the West Indies, in Mexico and South America, and they advocated

the system of low fares to persons intending a settlement. They also recommended the construction of the Northern Pacific Railroad.

"Direct trade with Europe" was the third subject which engaged the time of the Convention, we have not the space to give any portion of the interesting discussion upon this point. The Committee recommend the organization of steamship lines between this country and Europe, and the subsidizing of the lines by Congress. They ask for a modification of the navigation laws so that Americans may purchase foreign ships; they demand the abolition of the tariff on shipbuilding material, and they ask Congress to declare ports of entry all cities in the West and South which have a population of 100,000 and upward.

The general subject of "Immigration" attracted much attention and elicited a spirited debate. The convention favored the introduction of a million Europeans, and a comprehensive plan of enlightening Europe upon the advantages of the region below $36^{\circ} 30'$, and of making known the climatic conditions and industrial resources was reported. As the General Agent in this matter M. F. Maury was recommended. Chinese immigration provoked a marked dissonance of opinion. It was concluded to leave that matter to the States and to private interests. The debate on this question was mainly confined to Southern delegates, and considering the fact that the Convention at Memphis was so decidedly in favor of Asiatic labor, the result reached here shows perhaps not so much a change in Southern sentiment as it does the general discussion of the subject and the expression of hostile views by men who were not members of the Memphis Convention, but who have reviewed its action.

On the subject of "Banking and Finance" the Committee made the following report, the recommendations of which it will be seen, coincide in the main with the views and plans expressed and proposed by Senator Sumner:

1. The wealth of a country consists in the net value of its productions, and all financial measures must be determined in the light of this fact.

2. Currency is not a product of a country, and is not property, but only a medium to facilitate the exchange of property.

3. Currency values of property and an irredeemable currency regulate themselves by each other, so that except temporarily, the amount of irredeemable currency in circulation in no manner regulates the ease of the money market, or influences the rate of interest.

4. An irredeemable currency retards production by the fact that it measures the value of property so unsteadily as to destroy confidence. It prostrates industry, unsettles society, and should be and can be banished from the nation's exchange; therefore

Resolved, That Congress be requested to enact at once:

1. A free banking law, with efficient and certain measures for prompt redemption of currency, with a proviso that currency is to be issued only as fast as legal tender notes are redeemed and destroyed until specie payments are resumed.

2. Direct the Secretary of the Treasury to cancel and destroy all legal tender notes that come in his possession as fast as the net income of the Government will

allow. In case national bank currency is applied for faster than it can be furnished under the conditions heretated, preference to be given first to the South and second to the West, until the whole currency in circulation be equalized upon the basis of population.

3. Direct the Secretary of the Treasury to regulate all his actions by the wants and necessities of the Government, and leave the people to manage their money markets and their business in their own way.

The proceedings of a meeting of Southern gentlemen held in Washington in July were submitted to the Convention. These gentlemen proposed to planters to sell their products for gold only, and asked for the establishment of banks under State laws on a gold-coin basis. In regard to taxation the Convention asked for a repeal of the law of 1801, providing for a Direct Land Tax. The tax, they allege, is not imperatively needed by the Government, and its collection would fall heavily upon the South. In the North and West the tax was collected at the time, but the condition of affairs at the South required it to stand over until after the war. On the subject of revenue the Committee recommend the modification of the tariff. They also said that "the present system of Internal Revenue taxation should be simplified so that the revenue shall be derived from a few sources, and those such as tax the follies, extravagancies, and vices of the people, rather than the honest industry of the country. They recommend that the Internal Revenue should be collected from taxes upon the following articles: Licenses, stamps, tobacco, liquors distilled spirits, and from land sales, fines, and forfeitures."

From these sources they anticipate a revenue of \$327,000,000, a sum deemed more than sufficient to meet the expenses of the Government to pay the interest on the debt and to provide a sinking fund of one per cent, which, in thirty years, would liquidate the debt.

The Committee on the "Mississippi Levees" favored the construction of these works on a general plan to be inaugurated by the Federal Government. It was remarked that under the former system of labor the planter had often scores or even hundreds of hands whom he at once could set to work if occasion occurred, but that now no such force was at his disposal.

A report was also made in favor of the improvement of the Tennessee river, the removal of obstructions from the Mississippi, and such a regulation of bridges as will secure navigation from needless obstruction, and at the same time afford reasonable facility for railroad and other traffic across these streams.

The report on continuous Water Communication between the Mississippi River and the seaboard was in the interest of what is called the "Central Water line," through Virginia. But that part of the report was modified and altered and no State interest was especially commend-

ed. The Convention, however, was decidedly and with good reason in favor of cheap transportation so as to bring the products of the West into safe competition with production elsewhere in the governing markets of the world.

The twelfth subject in the order of business above given, was treated of by a Committee "on Harbors, Channels and Bars of the Atlantic and Pacific Coasts." They offered the following preamble and resolutions which were adopted:

WHEREAS, All the harbors and bars and navigable waters of the Gulf and Atlantic coast belong properly to the United States, by purchase of Louisiana and Florida from Spain, and by the articles of annexation of Texas; and by treaty with the mother country; and whereas, the development of the industry and creation of trade over the countries, States, and Territories are dependent upon these harbors and bars; therefore be it resolved,

1. That it is the duty of the Government of the United States to protect and improve these bars and harbors to an extent indicated by the present and prospective trade of the same.

2. That in consideration of the foregoing premises, and the reasons assigned for the same in the accompanying report, this Convention does recommend to the Government's fostering care and improvement, the bars and harbors at the ports of Wilmington and Savannah; Mobile Bay, at Atchafalaya Bay, at the Sabine Pass, at Galveston Bay, at the mouth of the Brazos River, at Pass Cayalle and at Pass Aransas.

This concludes a general review of the action of this Convention, which adjourned to meet next year at Cincinnati. It was as we have said, harmonious, and though it is without power, yet its recommendations, as the mature thought of men of business, are worthy of careful study and consideration. They have at least the merit of directness and they are designed to develop the resources and advance the prosperity of the country. The Convention brought men of all parts of the Union together and so far effected an exchange of ideas which cannot fail to be beneficial. On some of the subjects discussed we shall have occasion to speak hereafter.

REDUCTION OF TAXATION.

A strong effort is to be made in the next session of Congress to obtain a remission of a part of the Internal Revenue taxation. There is no doubt that a part of the depression and languor which afflicts the material interests of the country and impairs its productive power, is due to the pressure of ill-advised and unwisely laid taxes. In consequence of the vigor and fidelity with which the Internal Revenue Law has been administered we have a surplus of fifty millions or more in the Federal Treasury. It is the pressure of this excess of income on expenditure that has given new impetus to the question of remitting the taxes, and has made it possible to give a favorable answer to the demand. In a few weeks Congress will assemble, and

it is well to look over the whole case and to lay down some general principles by which we can guide ourselves to a right decision of some, at least, of the important points involved.

And in the first place, taxes cannot be allowed to remain as they are. The people will not submit to the pressure of heavier taxation than is needful to pay the interest of the debt and the expenses of an economical administration of the government. Were the material interests of the country vigorous and unimpaired, and had not their prosperity been deranged by the unprecedented monetary spasms of the last six months, it might be practicable to keep up the present scale of taxation, so as to secure a handsome annual surplus to be devoted to the reduction of the principal of the debt. Desirable as that policy might be, however, it has to be made subordinate for the present to the paramount obligation of preserving the material prosperity of the country and of preventing an impoverishment of the national wealth and productive efficiency. Wherever we turn it is evident that legitimate commerce and trade are less profitable than formerly. Complaints are general that small capitalists feel it almost impossible to carry on their business and to stand up against the fierce competition which they have to sustain with the more ample capital of others around them. There is evidently a great change in progress in this respect. Formerly the small capitalists in this country seemed to have almost equal facilities in every department of business with men of larger means; but the tide of events now is settling rapidly in the opposite direction, and there is more and more tendency to accumulate capital in large masses. We have several times pointed out in the *MAGAZINE* the inevitable result, as one of the effects of paper currency and of the inflated and unstable value which never fail to be developed where the specie standard monetary equilibrium is lost. The same law which we have shown to rule in Wall street is growing every year more pervasive in its force, and more general in its sway, until it embraces almost all departments of our industrial life. These tendencies are well worthy of more attention than they have received from our financial statesmen. It would be easy to show that our internal revenue taxation has contributed not a little to increase the disadvantages of small capitalists, and to facilitate their absorption by their more opulent rivals. This discussion is, however, foreign to our present purpose, which is simply to point out one of the directions in which our tax-reform machinery should operate. Whatever taxes tend to clog our internal industry, to fetter the productive powers of the country, to give large capitalists undue advantages over small capitalists, to check the operation of our producers, and to hinder the free circulation of our industrial wealth—all such taxes should be forthwith repealed as pernicious. This principle applies of course, in the first place and most directly, to our

internal taxation, both that levied on manufacturing industry, and especially on the product of skilled labor. One of the chief points of the fiscal policy of any nation should be to unfetter industry, and as far as possible to guard against all interference on the part of revenue officials with the processes by which the labor of its population imparts new values to the rude materials of wealth.

These fundamental principles of taxation are universally admitted in theory. But the difficulty is, that in practice nothing is so difficult as their wise application. Still the attempt has to be made. Congress will have the agreeable task of taking off some fifty millions of taxes, and what we have to do is to decide which are the most galling, the most mischievous, the most obnoxious to just objection, the most opposed to the true principles of fiscal science, the most detrimental to the best interests of the country.

We do not design in this place to give an exhaustive statement of what Congress ought to do in revising the internal revenue tax list. We content ourselves with simply laying down the paramount principles which must be obeyed and pointing out the general direction of the path which Congress will do well to take. The details of the tax reform will come up for frequent discussion hereafter. For if we mistake not, fiscal questions are destined to assume a prominence before Congress greater than has ever been accorded to them before in this country.

Whatever difference of opinion may be provoked with regard to the taxes to be taken off and repealed about those to be left standing, there is we presume little doubt. There are the taxes on spirits, on tobacco, on stamps, and for a time we fear the income tax. With these honestly assessed and faithfully collected, we should probably be able to repeal almost all the rest of our internal taxation and thus relieve our domestic producers from a weight which is felt to be oppressive and may soon become almost intolerable.

LIABILITY OF RAILROADS FOR TAKING EXTRA FARE.

A decision has been recently made by the Hon. Charles P. Kirkland, as referee in the case of Philo Johnson *vs.* The Hudson River Railroad Company, a correct understanding of which is of great importance to the different railroad companies of the State. The case will, of course, be carried up from the referee's decision and passed upon finally by the Court of Appeals, and may be reversed; but yet it seems to us hardly probable, after studying the opinion, that any change will be made in the judgment by the higher courts. In fact, the referee stated that

he had given the subject the most careful consideration, and earnestly endeavored to find a way of escape for the company from the payment of a sum so large in amount and apparently so disproportioned to their offence, but adds that he was unable to discover that way.

It appears that by the 17th section of the charter of the Hudson River Railroad the company is restricted in its charges for way travel to two and one-half cents per mile in the winter, and two cents during the residue of the year. By an act passed February 5, 1850, the word "winter" was stricken out of this section, and the words "December, January, February and March" were substituted. By chapter 185 of the Laws of 1857 the defendants and all railroad companies were authorized, for any distance less than one mile, to take the legal fare for one mile. The distance from Spuyten Duyvil to the railroad station at West Twenty-ninth street was over ten miles, but less than eleven. Thus, by the above acts, the railroad company was authorized to charge and receive of the plaintiff for his fare between those two points $27\frac{1}{2}$ cents in December, January, February and March, and 22 cents in the other months of the year. They actually charged and received 30 cents during the four months above mentioned, and 25 cents during other months. In 1857 the Legislature passed an act (chapter 185) entitled "An Act to Prevent Extortion by Railroad Companies," which provides that "any railroad company which shall ask and receive a greater rate of fare than is allowed by law shall forfeit \$50, which sum may be recovered, together with such excess, by the party paying the same." Between the 10th day of May, 1865, and the 9th of May, 1866, both inclusive, the plaintiff was a passenger on the Hudson River Railroad between Spuyten Duyvil and New York 526 times, in going in the morning from his residence and returning in the evening; and the railroad asked and received of the plaintiff each of said times excessive fare, as above stated. On these facts the referee found that the entire amount overcharged to plaintiff on the winter trips amounted to \$3 54, and on the summer trips \$11 47, making in all the sum of \$15 01 overcharged him during the year; that for each of these overcharges the defendant was liable in a fine of \$50, to be paid the plaintiff according to the statute; and therefore rendered a judgment against the railroad company for \$26,315.

To this conclusion of the referee the railroad company took exception, first, on the ground that under the General Railroad Act of 1850 they were entitled to charge the plaintiff the fare they did charge, section 49 of that act authorizing, as they claimed, all railroad corporations, as well those existing on the 2d day of April, 1850, as those afterward formed, to charge three cents per mile, and no more; in other words, that it fixed a uniform rate of three cents for all. Necessarily, if this position is cor-

rect, all existing railroads whose fares were less than three cents could raise them to that sum, and all whose fares were more must reduce them accordingly.

There were then more than fifty railroad corporations in this State ; many of the roads completed and in operation, and others in process of construction and near completion ; many millions of capital had been invested in them, and they extended over many hundreds, if not thousands, of miles in the State. Provision as to fare was made in all their charters ; in some the rate was not limited, but in others, the rate was fixed, as in the Lockport and Niagara Road, at 4 cents ; Oswego and Syracuse, at 5 cents ; Utica and Schenectady at 4 cents ; Buffalo and Niagara Falls at 4 cents ; Auburn and Syracuse at 4 cents ; Syracuse and Utica at 4 cents ; Troy and Schenectady, 6 cents ; (Northern Ogdensburg to Rome's Point) at 4 cents, etc. In fact, the time of the passage of that Act, the Hudson River Railroad Company was the only Company in the State whose fare was limited to less than 3 cents. It follows, therefore, that if, by the Act of 1850, the defendants' rate of fare was raised to three cents, then the fare of all railroads, at that time entitled to 4, 5, and 6 cents, was, by the same Act, reduced to 3 cents. While the power of the Legislature thus to raise and to reduce cannot be disputed, it will not be denied that their intention to do the latter, at least in the case of those railroads (and there were many of them) which were at that moment, in a financial sense, almost in their death struggles, must be manifested in a most clear, decisive, and unmistakable manner, and not left to ingenious verbal construction.

Such being the contemporary existing facts, let us, in the light they afford, examine the provisions of the Act itself.

The title of the Act is, as stated above, "An Act to authorize the formation of Railroad Corporations, and to regulate the same." Its object and intent was to create new railroad companies and adopt a general system for them. Whatever parts relate to existing railroads formed no part of the primary object of the Act, and such parts being comparatively incidental, must, on general principles of construction, be carefully scrutinized, and not extended beyond their plain and manifest purport. The section relied on to show that the Act, so far as it relates to fare, applies to all existing companies, and fixes a uniform rate of 3 cents, which cannot be exceeded, is the 49th ; the only part of the Act relating to fare is the 9th subdivision of § 28, which provides that "the compensation for any passenger shall not exceed three cents per mile." The first sentence of § 49 declares that all existing railroad corporations "shall possess all the powers and privileges contained in the Act, and be subject to all the duties, liabilities, and provisions, not inconsistent

with the provisions of their charter, contained in sections 9, 13, 14, etc., 28 (except sub. 9), 30, etc., etc." Here we see that subdivision 9 of section 28, the only part of the Act in any manner affecting the rate of fare, is expressly excepted from the operation of § 49. How, then, can it even plausibly be contended that that subdivision invests the Hudson River Road with power to raise their fare, in some cases 20 per cent, in others 50 per cent, and in others 45 per cent?

The Company's defense is not aided by the U. S. Rev. Acts, authorizing railroad companies to add the tax to the fare. The amount of tax authorized being two and one-half per cent on the gross receipts, if added to the defendants' charter fare, would not have amounted to the fare charged plaintiff. It would have added less than one cent to each sum paid by plaintiff. It has been held by the New York Common Pleas that this Act was inoperative on the ground that it was incapable of enforcement, there being no currency in which the tax, if it did not amount to one cent, could be paid. This difficulty was remedied by an Act of Congress of July, 1866; this act was subsequent to this transaction.

Other points were discussed on the argument and in the opinion of the referee, but it is unnecessary for us to refer to them here. The above presents the main question raised and the mode of its disposal. The decision is of great interest to all roads in the State, showing, as it does, the liability to which they subject themselves by each excessive charge for fare. It is proper to add, that so far as the Hudson River Road is concerned, its excessive charge for fare was corrected about the time this suit was brought, and that all other claims for the penalty on account of the illegal rates of that period demanded and taken are now barred by the Statute of Limitations.

BUSINESS CHANGES AT THE SOUTH—THE PAST AND FUTURE.

As one result of the political, social and commercial revolution which has passed over the Southern States, there is a marked change in the method of doing business. Formerly the proprietors of large estates made purchases for the multitudes of hands whom they employed. The planter was a sort of small jobber, or large retail dealer who provided for those dependent upon him everything they needed in the way of clothing, food, shoes, medicines, &c., &c. He purchased his supplies in large quantities, both of domestic and imported goods, buying either of the dealer in the large cities or of the merchant of his neighborhood, who kept in store a large stock. With the changes effected by the war came

a change here. The planter no longer had hundreds dependent on him. He had to make purchases only for himself and family. His former slaves became grouped in families, and family self-dependence began. Each was the purchaser of what he needed or desired. He supplied his own wants. Forthwith there sprang up a host of small shops in the South, managed by ignorant and incompetent men, who soon failed and went out of business. The old dealers grew stronger from month to month and enlarged their business. They drew around them a new class of customers. The negroes on their small holdings produced such crops as they could, and with the proceeds purchased goods. It was no longer dealing by wholesale. The small tools of the farm and garden, the iron and tin ware and crockery for houses, harness for animals, shoes, clothing, groceries; in fine all the varied wants and needs of an agricultural community became matters of individual and separate interest to the whole people, and a new phase came over Southern trade.

The minor villages, the corners and cross roads, buyers from which were heretofore unknown in Northern markets, familiar as they were in Southern centres like Mobile, Savannah, Macon, Charleston, &c., &c., now deal directly with the North; and there has also grown up a wider and more general system of commercial traveling than has ever before prevailed at the South. These travelers go from New York and Philadelphia, and from the manufacturing towns, and solicit direct trade with those with whom business was formerly done by the intervention of the Southern jobber or merchant.

So too the general business of the South, which was small at the end of the war, has steadily increased, and is assuming large dimensions, while it is in a more healthy condition than ever before. The merchants come North this season with cash or requiring very short credits, while the vastly increased number of independent "customers" in the Southern States enhances the demand for goods both in quantity and variety. At the same time the demand for the finest class of goods is increasing. The new wants and methods of trade are the direct outgrowth of the new system of labor.

This changed business at the South requires for its transaction an increased volume of currency. Business transactions are more numerous, and the interchange of commodities being more active, a large quantity of circulation is requisite to keep pace with the accelerated rate of the community. There is a change also in the method of moving the crops. Formerly, the factor who took the product of a great plantation working one or two hundred hands, made advances on this crop. The merchant also made advances. Now the same quantity of cotton is raised by a score or more of men, with each of whom a proportionate credit

is created at the factor's or the merchant's. The negro comes in also as a proprietor, and he has his four bales or his twenty bales to sell. The community is raising its own food far more than formerly, hence there is a renewed activity in domestic exchanges, and the cotton which formerly went for the purchase of grain and wheat now is a surplus, to be sold for cash. In this way too is the condition of the South improved and its prosperity placed on broader and firmer foundations.

The large cities of the West are making an effort to extend their trade with the South, and every fresh railroad built is a new means of securing a foothold there. There is a value and a certainty to the Southern crop which makes the promise of a sure and stable business, and none are keener to discover new relations than the business men who are to take advantage of them. There is an evident disposition, and one strongly developed in the South, to institute a system of manufactures. They have water power, and they propose to utilize it. They have iron and coal, and they can utilize them. They have cotton, why should they not spin it? There is a climate and a soil favorable to a most diversified industry, and there is no reason, not easily overcome, why they should not have the busy centres which are so frequently met with in other portions of the Union. If population is needed, that will come when enterprise is rewarded and labor is well paid. If capital is needed, that will flow in where it may confidently hope for profitable investment. Whatever may happen, the future can be but prosperous and bright. The cotton crop of 2,493,000 bales has a valuation of \$280,000,000. To this may be added the value of rice and tobacco, and sugar and corn, and the very large sum that is realized in the production of the minor crops which now form an important element in Southern agriculture.

A recent writer in a Mobile paper suggests that the cotton crop should be kept at its present dimensions in order that the present high price may rule. He therefore discourages emigration and any means by which the volume of labor would be increased. The fallacy herein suggested finds no favor among the thinking classes at the South, which shows a disposition to produce to its utmost possible limit. Scarcity cannot be organized, nor should it be, so long as any man is without clothing or food or a roof to shelter him. Increased and cheapened production must be the rule in every enlightened community. It is the only path to general comfort, happiness and wealth.

The conclusion briefly stated of these remarks is, that the South is growing stronger and richer every year; that it offers such a market as it has never done before; that manufactures are to be instituted there; that the changed course of business demands an increase of currency and a new method of dealing on the part of the great commercial centres,

and that in the new development of so large and populous and important a portion of the Union, the whole country will find its prosperity expanded, quickened and assured.

A FOREIGN LOAN.

Mr. C. S. P. Bowles, a prominent American banker, of Paris, has written to the Secretary of the Treasury, with the object of reviving, in a somewhat new form, the defunct scheme of a foreign loan. He proposes to us to issue a new series of 4 per cent non-taxable bonds, the interest on which shall be payable in London, Paris, or New York, at the option of the holder. These bonds, he thinks, can be negotiated at par, if, before we negotiate them, we pay off our matured Five-Twenties in gold. The National banks, he says, would at once accept the new bonds, and receive four per cent instead of six per cent as at present. In this Mr. Bowles is right. The banks are creations of the Government, and may be compelled to accede to this proposition by a law passed for that purpose. Indeed, there are a large number of the friends of the National banks who are of opinion that the banks ought to receive no more than four per cent on such bonds as they deposit as security for their currency. One-half of the profits of the currency-issuing privilege ought, they claim, to be the property of the Government. Our National banking system is a great benefit to the country, and offers advantages to the country far superior to any ever enjoyed under the old system of State banking, under which many millions were lost every year by uncurrent money, broken banks, and other incidents of the exploded system. Still the benefits of the National banks may be purchased at too high a price, and the banks, it is urged, should be content to receive four per cent interest, instead of six per cent on their bonds. This project has often been proposed, and there is nothing new in Mr. Bowles' version of it. Nor, indeed, has it anything to do with his proposed foreign loan.

The principles on which Mr. Bowles rests his scheme are two; first, that Europe is the reservoir of capital and secondly, that we can draw from that reservoir, presenting our own terms and fixing our own rate of interest. He points to the great French loans to show how abundant money is in Europe, and he asks us why, with the credit of this great country, we should not get in Paris and London as much money as we want, at a low rate of interest. We could do this, he says, and save immensely in annual interest by the doing of it. The new Tri-currency Consols, which he proposes to issue at 4 per cent, would take the place of the existing 6 per cent Five-Twenties, and he supposes that the holders of

the latter would be glad to make the exchange. These are the essential features of his plan, which does not much differ, as will be seen, from other schemes for foreign loans, of which a number are always proposed at every session of Congress. What Mr. Bowles fails to show is by what magic he will induce persons, who can buy our 6 per cent bonds at 90 or lower, to give 100 for bonds having only four per cent interest. It is true, he says that our credit will receive an impulse if we pay off the principal of our bonds immediately in gold. But suppose this were so. how are we to get the means to pay off these old Five-Twenties? Must we not get these means by the sale of the new bonds? And must not the new bonds be sold before the old ones can be redeemed? How, then, can the new bonds be sold at the enhanced price? The advance which would be produced by their payment might benefit a clique of speculators, but it would be at an advance loss to our National Treasury, if any such scheme should be tried and the scheme itself must inevitably be abortive. But this is not all. Can Mr. Bowles really think, on reflection for a moment, that our credit would be permanently raised abroad if we could, by some manœuvering, adopt his scheme? What are the facts? We find our annual interest too heavy a burden to be easily borne. To reduce the burden by one-third we pay off our whole debt in gold, and pay it off with borrowed money. By this payment with borrowed money we are to be enabled so to improve our credit that we can borrow at four per cent when we previously had to pay six per cent. Mr. Bowles proposes to raise 1,200 millions for us at four per cent, that, with its proceeds, we may pay off 1,200 millions of debt now at six per cent. Supposing, we say, that the substitution were to be attempted, who does not see that the effect of it would be to lower our credit rather than to raise it? For whatever deranges and disturbs large masses of bonds, always tends to depress them in the market, and to unsettle their value as investments. If Mr. Bowles had been more conversant with Wall street, and with the ingenious schemes for funding our national debt which have been discussed there during the last seven or eight years, he would not be so surprised as he seems to be that his own schemes has found so little favor. As to this writer's statements that Europe is the centre and source of capital, we are not sure that we understand his meaning. We remember, in the early years of the war, the London *Times* used frequently to repeat this axiom, and argued from it that as John Bull would not lend us a penny we must stop fighting. This financial argument, if Mr. Bowles wishes to repeat it, we must confute now, as we did then, by pointing to our immense popular loans, especially the earliest Five-Twenty loan of 1862, and the last Seven-Thirty loan of 1866. The former of these was made when the resources of this country were undeveloped, and

in confusion at the outbreak of the war; and the latter when, after we had passed through the struggle, and was exhausted with the stupendous struggle through which we had passed we still contrived, in one single year, to raise among ourselves, and without foreign help, no less than 1,800 millions of dollars. We point to either or to both of these great loan efforts of this country, and we challenge Mr. Bowles to produce in the financial history of France, England, or of any other nation, aught that will compare with them. They are, and were, the wonder of foreign nations, and the glory and triumph of our own. How, with these vast resources, we are still compelled to pay so high a rate of interest is a question to which many answers have been given. As to the methods by which we are to put matters on a more satisfactory footing, there is also great diversity of opinion. But assuredly the goal is not to be reached in the way pointed out by Mr. Bowles.

COUPON AND REGISTERED BONDS.

[From the Commercial & Financial Chronicle.]

We have heretofore had occasion to call attention to the liberal policy pursued by the Secretary of the Treasury in making public all information in regard to the Government finances, which can be published without detriment to the service. The monthly statements of the public debt are given much more in detail than formerly, and, in regard to all the financial operations of the Government, the utmost publicity is observed, giving to all parties an equal advantage in forecasting the result of such operations, and in shaping their business transactions accordingly. Although this course seems to be the only true and honorable one for a public officer to pursue, when occupying the position of fiduciary agent for the whole people, it has not always been followed, and, at various periods in former years, the complaints against the secrecy of Government operations have been loud and strong.

The subject also seems to warrant these remarks, the more, from the fact that concealment in regard to the affairs of great corporations by their officers and directors, is one of the greatest financial evils of the time, and it would be an unfavorable sign, should the example for such concealment be found in the action of the Government itself. The following statement of the respective amounts of coupon and registered bonds of each issue of United States loans, outstanding on the 30th of September last, has been furnished by the Treasury Department. No similar statement has ever been made before, to our knowledge, not even in the Annual Report of the Secretary of the Treasury, and as the pro-

cess of conversion from coupon to registered bonds has been going on for a long time, the respective amounts of each kind have changed materially since they were originally issued. All the coupon bonds purchased by the Treasury are immediately converted into registered, and \$34,100,950 of coupon bonds had been thus converted up to the 30th of September last :

STATEMENT SHOWING THE AMOUNT OF COUPON AND REGISTERED BONDS OUTSTANDING SEPTEMBER 30TH, 1869.

Act.	When payable.	Coupon.	Registered.	Total.
June 14th, 1859.....	Jan. 1st, 1874	14,755,000	5,245,000	20,000,000
June 22d, 1860.....	Jan. 1st, 1871	973,000	6,049,000	7,022,000
Feb. 8th, 1861.....	Dec. 31st, 1880	5,380,000	13,035,000	18,415,000
March 2d, 1861.....	July 1st, 1881	945,000	.....	945,000
July 17th, 1861.....	June 30th, 1881	74,065,300	115,252,300	189,317,600
Feb. 25th, 1862.....	May 1st, 1882	385,750,050	129,016,550	514,771,600
March 3d, 1863.....	June 30th, 1881	24,328,150	50,671,350	75,000,000
March 3d, 1864.....	March 1st, 1904	66,617,750	127,949,500	194,567,300
March 3d, 1864.....	Nov. 1st, 1884	.....	3,882,500	3,882,500
June 30th, 1864.....	Nov. 1st, 1884	60,833,050	64,728,250	125,561,300
March 3d, 1865.....	Nov. 1st, 1885	139,095,200	64,232,050	203,327,250
March 3d, 1865.....	July 1st, 1885	242,598,300	90,400,650	332,998,950
March 3d, 1865.....	July 1st, 1887	284,404,950	95,184,000	379,588,950
March 3d, 1865.....	July 1st, 1888	32,629,350	9,850,000	42,539,350
		1,332,440,600	775,496,200	2,107,936,800

THE ASSISTANT TREASURERSHIP.]

The choice of a successor in office of General Butterfield becomes a matter of considerable public interest, from the difficulty experienced in finding a suitable person to take the position. There is no actual scarcity of parties possessing the requisite qualifications; but there are few who while competent for the duties are willing to accept the responsibilities for the compensation allowed. The office is one of great importance. The responsibility attached to it exceeds that of any other under the Government. The Assistant Treasurer is custodian of from \$70,000,000 to \$100,000,000 of money—a larger amount, probably, than is held by any fiscal officer in any country. He is responsible not only for the safe keeping of these funds, but also for the faithful and accurate execution of financial transactions aggregating over \$1,000,000,000 per annum. His responsibility extends not only to his own acts, but to the errors of his clerks, their defalcation, acceptance of spurious evidences of debt, their over payments, and in short everything at variance with a correct administration of his immense trusts, whether done directly by himself or through his agents. For the performance of such duties the highest business qualifications are required. The officer must have proved himself, through a long experience, to be a man of unquestionable integrity. He ought to be familiar with the banking system of New York and with all the details of practical finance. As the financial representative of the government at the money centre of the country, he is naturally called

upon, in monetary exigencies to tender opinions and counsel to the Secretary of the Treasury, who being at a distance from the centre of business often finds it impossible to form an independent opinion of the situation of affairs. At times the Secretary of the Treasury must confide to the Assistant Treasurer an absolute discretion in matters of great magnitude and importance affecting the market for money, gold, and securities.

Not only does the performance of these duties call for mature experience in the highest branches of practical finance and for excellent judgement and great prudence, but the public interest demands that who ever occupies this position should possess these qualifications in an eminent degree.

Is it to be expected, however, that one thus qualified would accept the risks, the labor, the responsibility, the worrying criticisms of *ad captandum* writers, and the liability to removal upon changes of administration, for a consideration of \$6,000 per annum? A person competent for such an office can readily command, in other positions, a salary of \$15,000 to \$20,000; and what reason has the Government, or we should rather say our law-makers, to expect that it can secure the requisite ability and character for one-third of that amount? If the officer accepts a compensation below what his abilities would command elsewhere, there is reason for expecting that his official position may be used, in outside operations, for making up the deficiency. In fact, the inadequacy of the salary acts directly as an incentive to speculation, on the part of the holder of the office, based upon the knowledge and facilities growing out of Government transactions. While, therefore, it may not be impossible to find a pure officer for the present salary, yet the lowness of the pay tends to make the incumbents impure; and before we can reasonably expect the Assistant Treasurer to maintain a spotless reputation, we should compensate him in proportion to the value of his services and the reasonable demands of his social position.

But while justice and prudence would demand that Congress should grant a more liberal remuneration for this office, it may be well for Congress, at the same time, to consider whether the period has not arrived for making some change in the manner of receiving, paying out, and holding the government funds. The accumulation of \$100,000,000 of money in the vaults of the Sub-Treasury, held aloof from the business of the country, and alternately distributed and again absorbed in large amounts is productive of serious derangements to the money market and to the general business of the country. While it may be necessary for the Government, in the present condition of its finances, to have large balances at its disposal, yet it is equally important that its funds should be so held

as to be available for facilitating the exchanges of the country and for encouraging its enterprise, now repressed by numerous unnatural agencies, the legacy of war finance. The working of the public finances instead of being conducted outside of the general financial operations of the country, and acting arbitrarily, and often injuriously, upon exchanges, should be so regulated as to form a part of the great whole, the one running into and naturally co-operating with the other. We do not, at present, propose to consider the details for such an arrangement; but the principle is so obviously natural and sound, that it appears to us but to need suggestion in order to command approval. No firm, or corporation, or city, or State, however extensive its capital and operations, finds it necessary or expedient to isolate itself from the banking arrangements of the community, and to erect an agency wholly independent for the transaction of its business; nor is it easy to conceive of adequate reasons for the Government taking an exceptional course. This was a matter of little moment when our disbursements amounted to only a few millions of dollars in a year; but now, when the aggregate receipts and disbursements have increased so largely, the system becomes a source of embarrassment and of actual injury to every interest, involving, as it does, the alternate letting out and locking up of such large sums, and the perpetual idleness of the immense balance it holds, of capital adapted for circulation through the channels of commerce and industry. We think, therefore, that the whole system demands the early attention of Congress.

A GOLD PRICE FOR COTTON.

The desirableness of a return to a stable basis of values is admitted by every one and many are the methods proposed by which that point may be reached. There is at present a want of fixedness and an absence of certainty in business transactions, which all deplore and which must continue while the price of gold or more correctly speaking the value of the greenback is daily and almost hourly changing. For with this large and irredeemable paper currency, thus changing in its purchasing power day by day, prices vary, the spirit of speculation is kept active, and an unhealthy and unsteady tone prevails in all financial and commercial circles.

In no branch of business is this continued fluctuation more unfavorably felt than in the cotton trade. There is now no large margin as formerly in prices between different countries. The telegraph has brought this market and Liverpool and all other cotton markets so closely together that a commission is about all the merchant can secure in any transaction, and

a slight turn in gold can more than wipe out this, leaving a loss as the net result of the operation. In fact so great has the risk become that the careful shipper must buy his gold first and then his cotton. Purchases also, for future delivery (a legitimate business), are rendered, from this same cause, almost as uncertain as a ticket in a lottery.

These facts have long led the Northern cotton merchant, especially those engaged in a foreign business, to desire freedom from our present unstable currency. To await till we return to a specie basis, may require the continuance for years of the existing difficulties; whereas a very simple and immediate remedy, so far as this branch of business is concerned, may be found in selling cotton hereafter for gold; that is, having no currency quotation, but simply a quotation in gold. As is well known, this has always been done in Galveston, and the South generally is in a condition to make the change. At the recent Commercial Convention in Louisville there was presented a communication from Mr. R. W. Latham, of Washington, in which were embodied the views of a meeting of Southern gentlemen, who, in July, passed resolutions in favor of the organization of banks at the South, under State loans and on a coin basis. The meeting resolved that our present paper currency was an undesirable medium of exchange; that the South had less than its proportion of national bank currency; that planters sell their cotton, hemp, tobacco and sugar for coin only; and that they make their labor contracts payable only in specie. The subject referred to in the concluding portions of this resolution has been widely discussed at the South, and is looked upon with favor by leading and influential men, as well as by the journals of that section, as a means of reconstructing our internal commerce upon a sound and safe basis, and avoiding the fluctuations that peril and render uncertain so much of the business of the country.

The cotton crop, at present prices, is worth say \$300,000,000, and of this value nearly two-thirds is taken for export, and goes abroad as the medium of settling our exchanges. Entering thus with controlling influence into our foreign commerce, how essential this change becomes. With it there would be uniformity in price at New Orleans, at Mobile, at Charleston, at New York, and at Liverpool. Purchasers would know what they were buying, and producers would know what they were selling. On the other hand, the present selling currency price, as stated above, must always be first adjusted to the gold value at the moment of purchase, and even then, before the transaction is closed, it is clouded, and its results are, perhaps, materially changed by the varying humor of the Gold Room. With every hour the figure fluctuates; a rise or fall of several per cent may occur in a day, or a week. Gold rings are organized, whose operations utterly paralyze foreign commerce, and a wide-

spread uncertainty and doubt become the rule where order, harmony, stability and fixedness should govern.

The South, also, is now out of debt, and for this reason in an excellent condition to inaugurate this scheme and put it into effective practice. The old debts of the South have either been paid, or where they could not be thus liquidated, they have been wiped out by the Bankruptcy Act. There is not, therefore, any debtor class to suffer by a return to specie payments. At present the merchants from that section are the favorite buyers in our market. They usually come with cash, and have had behind them the immense value of the cotton crop. Formerly the South depended largely, indeed almost entirely, on this great staple, and the money for it was spent before the crop was raised. The changed condition, resulting from the war, has introduced a changed method of agriculture. Industry is more diversified, and attention is paid to the raising of a variety of crops. The food for which they once looked so largely to the northwest is now produced at home in greater quantities than before. They buy fewer products for consumption. They have a large surplus of cotton from the proceeds of which they are accumulating wealth.

But it may be said that the step we have indicated is a step towards the resumption of specie payments. It is certainly a movement in that direction, and for that reason a special benefit to the north. Its influence would be felt in the north and west, and would tend to modify and render more certain business transactions in all parts of the country. Besides, this step is rendered the more necessary in view of the possible action of the Supreme Court of the United States in declaring the Legal Tender Act unconstitutional. There have been intimations that the opinion of this court would be adverse to the legality of the act, and there are very many who believe that the delay in rendering a decision is due to the apprehension of the Court of the effect of a sudden announcement of the conclusion reached by them. Be this as it may, however, much of this apprehension would soon be found to be groundless if a good start was already made in doing an important branch of business upon a specie basis. There would be at least one solid rock of real credit and value upon which commerce could be re-erected, and which would defy whatever tempest and disaster might from any cause result. But the apprehension and dread of those who predict immediate disaster upon a declaration of the unconstitutionality of the Legal Tender Act, is according to our view, by no means certain of being realized. No decision of this Court could have a more damaging effect upon the general trade of the country than the late speculations in gold which prostrated the business of the nation as effectually as if it had been stricken by a tornado or upheaved by an earthquake. Prices declined, the import

trade ceased, the export business was checked, confidence departed, and the healthful commercial transactions of the whole country were suddenly and unexpectedly arrested. Such results as these we have seen recently. The "flurry" of a week culminated in a shock which was at once composed by stupefying all the interests that had been perturbed by it. If there had been a price in currency before for cotton, it ceased to have a value then, and no mathematical calculation could solve the intricate mysteries of the market, and bring order out of the confusion that prevailed. Under our present currency system, we are continually liable, and each succeeding year more liable to a recurrence of these gold corners, and it would appear that no decision, however sweeping in its effects, could have a more damaging influence upon the business interests of the country. But more than this, we are led to believe that the government will take such steps that its issues of currency will be redeemable in gold on the announcement of such a decision, and the immediate effect may thus be of far less moment than any imagine. We shall discuss this point more fully on a future occasion.

In view of what has been said would it not be possible and also the part of wisdom for this city to take the lead in this extremely important matter. The cotton is at the South to be sure, but the great body of the capital which makes the exchanges and transacts the business are here. Let cotton factors explode these currency rates at once, quoting cotton in a language intelligible to all the world and not requiring an elaborate arithmetical investigation to render it comprehensible. This staple offers the best point of departure because, as we have already stated, of its great value, and because so much of it enters into export, and is employed in adjusting the balances of the foreign trade. There is a significance about gold dealings in cotton which do not belong to grain or tobacco. They are comparatively modern elements in our commerce with the rest of the world, but they would not long resist the impulse of the new tide on which business would be borne along. They would be lifted from their currency moorings and wafted into an open sea where there was depth, a safe anchorage and ample sea room. If there ever was a time when stability in business should be sought for it is at the present moment. We have learned many lessons by experience, and we grow more assured every day that the real prosperity of the country depends upon a return to specie payments, and upon the subordination of our vast commercial interests to the established principles of financial action.

TRANSPORTATION OF BREADSTUFFS.

In the course of an article in September, on the subject of Breadstuffs, the probable supply, and the demand from Europe, we briefly alluded

to the fact that the matter of transportation might become of unusual importance in its relation to the course of prices. Year by year the centre of the great wheat-growing districts of the United States has been moving westward, until, from being in the Genesee Valley, as it was thirty-five years ago, or in Ohio or Michigan, as it was twenty years ago, it is now on the banks of the Mississippi, or to the westward of that great river. And as the centre of the wheat growing region has moved westward, the quantity which it is necessary to bring to the seaboard every year has increased. The same remark applies, in a less degree, to other cereals—corn, oats, rye, barley, &c.; and the subject of the means provided and the rates paid for the transportation of the vast quantities of breadstuffs now seeking the seaboard from far western fields, is one whose importance is constantly asserting itself.

The serious breaks in the Erie Canal, which were produced by the severe floods of October, and against which no foresight could have guarded, suspended navigation about two weeks, and was attended by various circumstances which gave it unusual importance, and finally forces the whole subject of the transportation of breadstuffs eastward upon public attention. The crop of spring wheat was fully twenty days late this season, and this break occurred just at the time when it began to move,—delaying the first considerable arrivals of spring wheat at this market to about the first of November, instead of the first of October, as usual; giving us, in fact but about one month's free deliveries by canal, instead of two, as usual. Should the weather prove exceptionably favorable, we may have yet five weeks of canal navigation, during which we have to accumulate such a stock of grain in store as will, with the aid of the receipts by rail, enable a steady export movement to be maintained, in addition to the local demand, without giving room for any important advance in prices. But if the canal should be suddenly closed by frost in the last week in November, it would be a serious circumstance.

The period during which the Erie Canal remains closed is usually about twenty weeks—sometimes as many as twenty-two, and often not more than eighteen. The largest accumulation of grain in store at this market, at the close of navigation, has been about fourteen million bushels. The actual wants of this market for consumption are about 85,000 bushels per day; namely, 15,000 bushels wheat, 35,000 bushels corn, 25,000 bushels oats—the balance rye, barley, &c. Thus fourteen million bushels in store will nearly meet the wants of consumption during the winter months. But it often happens that the quantity in store at the close of navigation is unequally divided, there being a surplus of one sort and a deficiency in another. The railroads or speculation must restore the equilibrium.

It is but two years since the railroads began to deliver any considerable quantities of grain at this market. In the fall of 1867, we think, we found at the close of navigation but about 1,500,000 bushels of corn in store—a quantity so notoriously inadequate to our wants, even when supplies from the South were added to it, that a great speculation and a large advance in prices resulted therefrom. These high prices induced the Erie railroad to make the needful preparations to bring forward corn in cars, and very soon we had a supply of from twenty to thirty thousand bushels per day. The speculation broke down, and every legitimate interest was vastly benefited. This marked a new era in the transportation of grain from the West. We have since received large quantities of wheat and oats by the same means. For the eight weeks ending last Friday, the deliveries of grain at this market by rail amounted to the handsome aggregate of 3,412,600 bushels, over 70,000 bushels per business day and nearly equal to the home wants of the market. The Erie road has now many competitors in the business. The New York Central, in connection with the Hudson River, Railroad, and the Pennsylvania and New Jersey Roads, are all engaged in bringing grain to this market.

During the winter season, these roads cannot bring to us so much grain as now. They will then be encumbered with large quantities of perishable products, which usually seek the market in cold weather. Dressed hogs, game, and dressed poultry—these justly claim and receive the preference. But if the deliveries of grain by rail at this market be reduced to 50,000 bushels per day, there would not, even then, be danger of any deficiency in supplies. It is very probable that an accumulation of stocks in December will approximate eight million bushels. The export demand is confined entirely to wheat; and of this, unless the shipments shall be much larger than for the past few weeks, a stock of four million bushels will be ample.

Besides, there are routes to the seaboard from the West other than those leading to New York. Portland is an important point, and nearly monopolizes the export of oats; Philadelphia and Baltimore can get forward liberal quantities of grain by rail. We noticed the other day the charter of a vessel to load wheat at Philadelphia for a British port. This is an unusual circumstance. In former years, that city, as well as Baltimore, drew on us largely for wheat. There remains to be considered the Mississippi route, via New Orleans. It is a long and expensive one, it is true; but during the active export of cotton, ships at New Orleans are glad to get some grain for ballast, and will accept low rates. This may in a measure overcome other obstacles to a movement of grain in that direction.

We conclude, therefore, that although rates for carrying grain from the growing districts to the seaboard are likely to be high for some months to come, there is no danger of such a scarcity of supplies at this market as to promote successful speculation, or seriously interfere with the regular course of shipments to Europe, unless something unforeseen should occur; and we infer that the lateness of the crop of spring wheat, and the break in the Erie Canal, are not likely to be attended with the important effect upon prices which many seem to expect. Still, if they shall attract attention to the growing importance of increased facilities for transporting the products of the West to the seaboard at all seasons of the year, an important service will have been performed.

CONSUMPTION OF COTTON IN EUROPE.

M. Ott-Trumpler, of Zurich, issued about the first of October his interesting annual Circular respecting the cotton consumption of Europe the past season, of which we have received a copy by the last steamer. We can make room this week only for the following tables showing the consumption. The figures represent thousands of bales.

	Ameri- can.	In- dian.	Bra- zil.	Egypt.	Sun- dry.	Total
Stock in the ports October 1, 1868.....	113	260	102	19	19	513
Imports during the season.....	974	1,625	521	187	140	3,447
Total.....	1,087	1,885	623	206	159	3,960
Exports to the Continent	153	626	78	10	17	824
	934	1,259	545	196	142	3,076
Total in the ports Sept. 30, 1869.....	57	346	52	21	13	489
Consumption	877	913	493	175	129	2,587

CONTINENT.

Stock, Oct. 1, 1868, at Havre, Marseilles, Bordeaux, Nantes, Antwerp, Amsterdam, Rotterdam, Bremen, Hamburg, Trieste, and Genoa.....	21	43	13	2	22	101
Imports direct from countries of production at above named ports.....	388	233	121	51	245	1,038
Export from England to the Continent, deduction being made for 11,000 bales, exported from Continent to England.....	153	624	71	9	14	871
Total.....	562	900	205	62	281	2,010
Stock, Sept. 30, 1869, at above ports.....	17	50	14	1	12	94
Consumption.....	545	850	191	61	269	1,916

CONSUMPTION OF EUROPE.

	Ameri- can.	Ind- ian.	Brazil.	Egypt.	Sun- dry.	Total.
1868-69.....	1,422	1,763	684	246	398	4,503
1867-68.....	1,735	1,522	708	251	388	4,604
1866-67.....	1,548	1,592	450	215	342	4,147
1865-66.....	1,237	1,633	423	255	387	3,935
1864-65.....	236	1,487	324	374	634	3,055
1863-64.....	242	1,163	208	325	660	2,598
1862-63.....	133	1,454	160	227	162	2,146
1861-62.....	562	1,090	122	164	55	1,993
1860-61.....	3,443	674	271			4,388
1859-60.....	3,407	592	273			4,172

	ENGLISH CONSUMPTION.						CONSUMPTION OF CONTINENT.					
	Ameri- can.	In- dian.	Bra- zil.	Egypt.	Sun- dry.	Total.	Ameri- can.	In- dian.	Bra- zil.	Egypt.	Sun- dry.	Total.
1868-69.....	877	913	493	175	129	2,587	545	850	191	61	269	1,916
1867-68.....	1,197	799	533	182	111	2,822	533	721	175	69	277	1,775
1866-67.....	1,016	815	298	160	125	2,414	532	777	152	55	217	1,733
1865-66.....	846	878	259	186	150	2,319	391	755	164	69	237	1,656
1864-65.....	187	850	203	285	348	1,873	49	637	121	89	226	1,122
1863-64.....	178	620	134	219	414	1,565	64	543	74	106	246	1,033
1862-63.....	99	905	111	163	54	1,332	34	559	49	64	108	814
1861-62.....	304	675	101	122	15	1,317	258	415	21	42	49	735
1860-61.....	2,170	249		193		2,612	1,273	425		78		1,776
1859-60.....	2,135	207		218		2,560	1,272	385		55		1,712

STOCK IN ENGLAND SEPTEMBER 30.

1869.....	489	1867.....	911	1865.....	304	1863.....	217	1861.....	79
1868.....	513	1866.....	945	1864.....	490	1862.....	329	1860.....	954

The following figures show the imports and consumption in Europe in each of the last eight seasons :

	Stocks in Europe Oct. 1.	Imports			Stocks at close of season.	Consumption		
		Ameri- can.	Other countries.	Total.		Total.	Eng'd.	Cont.
1861-62.....	1,019	54	1,364	2,427	368	1,993	1,217	776
1862-63.....	368	121	1,947	2,436	250	2,146	1,342	804
1863-64.....	250	215	2,716	3,181	563	2,588	1,565	1,023
1864-65.....	563	250	2,608	3,415	347	3,035	1,873	1,162
1865-66.....	347	1,565	3,166	5,078	1,143	3,935	2,319	1,616
1866-67.....	1,143	1,495	2,801	5,239	1,092	4,147	2,414	1,733
1867-68.....	1,092	1,572	2,554	5,218	614	4,604	3,822	1,782
1868-69.....	614	1,362	3,110	5,086	583	4,503	2,387	1,916

The receipts at the ports of Spain, Sweden and Russia, from America and other countries, and the consumption in Italy of native cotton, are not included in these tables of consumption.

ANNUAL REPORT OF THE COTTON MANUFACTURERS' ASSOCIATION, PRESENTED
OCTOBER 12, 1869.

At the annual meeting, held in New York, June 30, 1869, the Statistical Report embraced returns from 794 cotton mills, having over 99 per cent of all the spinning machinery in the country. The details and results of the statistics thus obtained appear in the published proceedings of that meeting. We here repeat the statement made of the home consumption of cotton, North and South, for the year 1867-8, and have, for the greater facility of comparison, changed the quantities from pounds to bales of 465 pounds each, that being the actual average, as is shown by the table of weights appended to this report.

Consumption of cotton, year ending 31st August, 1868 :

Consumption of cotton, year ending 31st August, 1868.			
Northern Mills.		Spindles.	Bales of cotton used for spinning.
Mills returned.....	693	6,429,974	865,067
Mills estimated.....	43	50,000	6,833
	<hr/> 736	<hr/> 6,502,974	<hr/> 861,840
Southern Mills.			
Mills returned.....	101	247,583	75,953
Mills estimated.....	7	12,000	4,430
	<hr/> 108	<hr/> 260,583	<hr/> 80,383
Used in mills, otherwise than for spinning,			
Quantity returned...			21,165
Quantity estimated.....			20,013
			<hr/> —54,208
Totals.....	844	6,763,557	997,433
Deduct for exceptional cases in which the quantity reported was the consuming capacity, and not the actual consumption.....			
			<hr/> 21,767
Actual home consumption, North and South, 1867-8.....			965,666 bales

This consumption represents the quantity taken by the home mills from the crop of 1867-8, except the small difference in the stocks held by the mills at the beginning and end of the year.

The Committee desiring to obtain the mill statistics for 1868-9, for comparison with those of the previous year, and to facilitate the correct preparation of the annual crop statements,

directed the issue, about the 1st of August, of a circular addressed to the managers of the cotton mills in the country, inclosing a copy, for correction, of the return for the year ending August 31, 1868, and asking for the statistics of each mill, for the year ending August 31, 1869.

By September 1st the Secretary had received returns from 77 per cent of the mills reported last year, and by October 1st from 90 per cent of all these, and from a few mills which did not then report, but were included in the estimates then given. The results are shown in the following table:

SYNOPSIS OF NEW RETURNS TO OCTOBER 1, 1869.

State.	Mills.	Spindles.	Yarn.	Cotton spun.	Average per Spindle.	Otherwise used.
Maine	19	490,424	28½	25,090,047	51.20	.....
New Hampshire.....	43	745,990	26	39,394,541	52.81	680,481
Vermont	11	22,169	30½	1,071,867	48.73	112,534
Massachusetts	148	2,366,035	28½	124,298,128	52.54	168,674
Rhode Island.....	89	906,681	28½	36,592,689	40.39	375,000
Connecticut.....	78	514,549	30	25,559,591	49.67	267,820
New York.....	48	439,911	32½	18,791,162	43.71	749,500
New Jersey.....	17	136,002	26½	5,323,718	39.18	.....
Pennsylvania.....	50	271,946	19	18,725,056	68.85	457,969
Delaware	7	35,103	20½	1,986,888	56.60	.....
Maryland	8	33,802	12½	4,994,237	147.75	.....
Ohio.....	3	13,270	10½	1,613,603	124.24	100,000
Indiana.....	1	10,800	14	1,447,408	134.07	.....
Illinois.....	2	460	27	27,862	60.61	126,500
Missouri.....	3	12,064	11½	1,793,644	148.68	.....
North	512	5,999,140	28½	306,751,964	51.18	3,038,369
Virginia.....	7	27,143	14½	2,268,168	88.80	.....
North Carolina.....	15	26,743	12½	2,456,741	120.13	.....
South Carolina.....	5	29,784	12½	3,582,595	123.54	.....
Georgia	26	73,556	12½	9,909,947	133.92	.....
Alabama.....	8	27,264	15½	2,460,738	89.94	.....
Mississippi.....	3	3,332	8½	242,000	72.68	.....
Texas.....	2	1,716	9½	204,300	121.97	.....
Arkansas.....	1	516	10	95,863	184.81	.....
Tennessee.....	7	9,800	11½	785,071	75.	.....
Kentucky.....	2	4,500	9	768,795	175.29	.....
South.....	76	197,759	12½	22,773,718	115.03	.....
RECAPITULATION.						
North	512	5,999,140	28½	306,751,964	51.18	3,038,369
South.....	76	197,759	12½	22,773,718	115.03	.....
Total.....	588	6,196,899	28	329,525,682	53.17	3,038,369

The mills embraced in last year's report that have not now reported were generally of small capacity, having in the aggregate only 676,669 spindles.

The returns from 581 mills last year and this year, compare as follows:

506 Northern mills, which for 1867-8 reported 5,827,947 spindles, consuming.....	Lbs	831,559,311
Report for 1868-9, 5,977,684 spindles, consuming.....		805,484,085
Showing a falling off of 7.86 per cent, or.....		26,075,226
75 Southern mills, which for 1867-8 reported 195,921 spindles, consuming.....		27,390,108
Report for 1868-9, 195,659 spindles, consuming.....		22,678,718
Showing a falling off of 17.20 per cent, or.....		4,711,390
Together, 581 mills, which in 1867-8 reported 6,023,868 spindles, consuming....		858,949,419
Report for 1868-9, 6,173,343 spindles, consuming.....		338,162,808
Showing a falling off of 8.57 per cent, or.....		50,786,616
These 581 mills reported for 1867-8, as cotton used otherwise than for spinning...		4,705,600
And report for 1868-9.....		9,761,576
Showing a falling off of 41.30 per cent, or.....		1,943,124

It is fair to assume that a ratio afforded by returns from 90 per cent of the spindles reporting last year, and 89 per cent of all in the United States, taken as they come, will be a just and true ratio for the whole manufacturing power in the comparison of the last and the preceding year's work. It is therefore applied to all the mills reported and unreported in the following statement of the home consumption in the mills, North and South, for the year 1868-9, reckoned, as last year, in bales of 466 pounds each.

	Mills.	Spindles.	Bales used for spinning.
North.....	730	6,670,846	767,512
South.....	108	260,000	64,998
Used in mills, but not for spinning.....			31,741
Totals.....	838	6,930,846	864,251 in 1868-9.
Against.....	844	6,763,557	965,666 in 1867-8
Showing a reduction in Northern mills, for spinning.....			65,448 bales
“ “ Southern “ “			13,500 “
“ “ Cotton otherwise used.....			22,464 “
Total.....			101,412 “

Our report in June, after remarking upon the considerable contraction in the production of heavy goods after January, said, "The aggregate for the whole year is believed to be less than for the year preceding, but this can be determined only by renewed returns from the mills to be made at the close of the season, 31st August." We have those returns, and they confirm the impression which was common among manufacturers that the home consumption has been less than in the preceding year. On the other hand the stock of cotton held in mills August 31, 1869, was larger than that held August 31, 1868. The excess this year was estimated by the COMMERCIAL AND FINANCIAL CHRONICLE of New York to be 30,000 bales. That estimate was too small, as shown by later developments, as to stocks held, and by the limited quantities taken by spinners since September 1st,—about 10,000 bales per week.

The actual consumption having been..... 864,254 bales
And the increase of stock in the mills..... 60,000 "

The whole quantity taken by the manufacturers was..... 914,254 "

For many years the *Shipping and Commercial List* of New York, was justly the standard authority for annual statements of the cotton crops of the United States. Down to 1863 its statements were well prepared from data, obtained at the several seaports of the South whence nearly the whole crop was shipped to either Northern or Foreign ports, and the results (excluding an estimated consumption south of the Potomac) were approximately correct, and a valuable contribution to the industrial statistics of the country. Your committee feel compelled to show that the *Shipping List* is no longer to be regarded as authority, and to expose the errors which have rendered its cotton statistics worse than useless since the close of the war. They do it reluctantly. * * * * * All the authorities agree substantially in the statistics of exports foreign, and of the stocks at the beginning and end of the year. They also agree in the statistics of Southern ports. It is the cotton moved by inland routes which gives occasion for confusion and opportunity for misstatement. The attempt to apportion its quantities to mill and market, respectively, by estimation only, was in a matter of this consequence, a fault. Persistence in such a course, after its errors have been pointed out, becomes worse than a fault. Any error thus produced in the amount of "receipts" of cotton required a corresponding error in the "home consumption" to balance it. The item was made elastic, compressible, or expandible, to suit the exigencies of the case, and corresponded to the required amount of "receipts at the ports." But in this item of home consumption of cotton, both planter- and manufacturers had a strong interest, prompting a desire to know the truth about it. In ascertaining the consumption and its proportions, North and South, the Association has established a statistical *dilector*. The several quantities: 1, of cotton retained for home use, or destroyed; 2, of cotton exported; 3, of stocks in the ports at the beginning and end of the year; are all the elements required for an exact statement of the cotton crop.

The statement of the *Shipping List* was as follows:

Total Crop of the United States	bales	2,280,557
Add stocks on hand, 1st September, 1868.....	"	37,388
Makes a supply of... ..	"	2,297,945
Deduct therefrom,		
"Export to foreign ports.....	1,444,668	
Stocks on hand, 1st September, 1869	11,160	
Burnt in transit... ..	203	
Manufactured in Virginia.....	20,000	1,476,031
Taken for home use North of the Potomac and Ohio Rivers		821,924
" " " South " " and burnt.....		173,203
Total consumed and burnt in the United States, (including burnt at the ports,) 1868-9.....		995,127

It will be observed that here, as in years past, the *Shipping List* excludes from "the crop" all the cotton which it estimates to have been retained in the South, except 20,000 bales used in Virginia, and 203 bales burnt. The quantity excluded is..... bales 173,203 which, added to the "Total Crop" as above..... " 2,280,557

would show an aggregate production of..... " 2,453,760

The wool consumed in the Western States, is not excluded from any annual statement of the clip of wool in the United States.

The cotton goods consumed in Great Britain are not excluded from the Commercial or Board of Trade Statement of British manufactures. There is no reason why the Southern consumption of cotton should be excluded from the cotton crop of the United States.

The *Shipping List* stated the quantities respectively taken for home use "north of the Potomac and Ohio Rivers," and south of the Potomac and Ohio Rivers, burnt, &c., in its annual crop statements for four years, as follows:

	North.	South.	Total.
1865-6.....	601,085	127,640	728,725
1866-7.....	578,867	280,672	859,539
1867-8.....	799,817	168,348	968,165
1868-9.....	821,924	173,203	995,127

During the last year ample proof has been given that the States south of the Potomac River never consumed, for spinning purposes, in mills and families, (except during the late war) so much as 85,300 bales of cotton in a year. The use of cotton for mattresses and other upholstery nearly or quite ceased with the advent of war prices. The cotton burnt or otherwise

destroyed, after being baled, has not this year exceeded 4,500 bales. Statistics are worse than useless if not accurate. The question at issue is not merely whether the Southern consumption of cotton, the past year, was 50,000 bales or 173,000 bales, though that is an important one; but the question is, whether the public is not misled by receiving as standard authority a compilation radically defective. In the form used by the *Shipping List*, the subtraction of 173,208 bales from the production of the country, instead of 50,000 or 85,000 bales left the "crop" smaller by the excess subtracted.

Thus, if the true Southern consumption only had been deducted, the crop of 1868-9 would have been about 2,350,000 bales assuming that the other data and the method of the *Shipping List* were correct. By similar process the crop of 1867-8 would have been shown to be over 2,500,000 bales; of 1866-7 over 2,100,000 bales; of 1865-6 over 2,200,000 bales, that is, if the several amounts appropriated in excess for Southern use were transferred to the several appropriations for Northern use, and thence counted in the "crop" (as the *Shipping List* always reckoned the Northern consumption in the crop), then the several crops would have been increased, as stated. For instance, the *Shipping List's* annual statement for 1866-7, stated the crop thus:

Total crop of the United States	1,951,989
Stock on hand, 1st September, 1866.....	281,692
Makes a supply of	2,233,680
Deduct—Exports to foreign ports.....	1,553,315
Stock on hand, September 1, 1867.....	80,296
Burnt and manufactured in Virginia.....	28,672
	1,662,313
Taken for home use north of Virginia	697,867
" " in Virginia and elsewhere throughout the U. S.	280,672
Total consumed in the United States, including burnt, &c ..	854,089

The statement of the Southern consumption at 280,672 bales was so obviously wrong that it was severely assailed at the time, and in its next year's annual statement the *Shipping List* changed the figures in its table, and brought forward the home consumption of 1866-7, thus: North of Virginia, 697,867; elsewhere, 156,672; having taken 124,000 bales from the South and added it to the North, but without any note or other reference to this remarkable change. This increase of the Northern consumption, it will be seen, necessitated a like increase in the crop receipts, because the exports and stocks were fixed facts, and the crop receipts and consumption enough to balance them were the only elastic or convertible quantities.

The statement amended by the *Shipping List's* own figures must have stood thus:

Total crop of the United States, 1866-7.....	bales. 2,075,989
Stock on hand Sept. 1, 1866.	281,692
Makes a supply of.....	2,357,680
Deduct—Exports to foreign ports.....	1,553,315
Stocks in ports Sept. 1, 1867.....	80,296
Burnt and manufactured in Virginia.....	28,672
	1,662,313
Taken for home use, north of Virginia.....	697,867
Taken for home use in Virginia and elsewhere.....	156,672
Total consumed in the United States (inc'uding burnt, &c.).....	854,089

If the crop had been so stated, what would have become of the contracts, &c., that were settled in accordance with the *Shipping List's* statement, making the crop less than two million bales?

So much to illustrate the untrustworthy character of the system that has been followed. Returning to the details of the last crop, the committee present the following as a true statement of the entire production of cotton for 1868-9 in the United States:

Home uses—In mill's North, spun.....	bales. 767,512
In mills South, spun.	64,993
In mills North and South, not spun.....	31,744
In mills North and South, added to stock.....	50,000
In home spinning, &c., South	7,500
Burnt or otherwise destroyed after packing.....	4,500
	926,251
Exports foreign, as per New York tables.....	1,448,000
" " to and through Canada.....	18,000
	1,466,000
Disposed of through the year.....	2,392,251
Deduct—Difference in stock in ports:	
Stock 1st September, 1868.	88,130
Stock 1st September, 1869.....	12,343
	25,787
Total production, 1868-9.	2,366,464

The committee, after a careful examination of every point involved, feel entire confidence in the substantial correctness of the statement of the crop of 1868-9 which they have presented above. Yet they would not wholly rely upon any one method or form of statement or collation of facts, if another is practicable.

As in the statistics of cotton, quantities are usually stated in bales, the committee have deemed it quite important that the true average weights of bales of United States cotton should be accurately ascertained, and they have instituted inquiries to this end.

In calling for returns from the mills of their actual consumption the past year, it was requested that the answers should be in both pounds and bales. The request was generally complied with; seventy per cent (in consuming capacity) of the Northern mills reported in the form desired, and, with a very few exceptions, in such detail as to indicate that their books had been carefully consulted.

From these returns it appeared that of 338 mills, consuming 244,509,147 pounds, which was 60 per cent of the whole consumption, or 535,441 bales, each bale averaged 465.34 pounds.

The following averages for the several localities stated have been deduced from a great number of invoices from each. Applying these averages to the quantities produced in the same localities, we have the following result for 1868-9:

	Bales.	Average.	Pounds.
New Orleans and Texas	943,022	463	436,612,156
Mobile	280,736	457	114,670,221
Savannah	357,253	475	169,895,175
Charleston	193,913	440	87,534,309
Memphis and vicinity	314,545	472	162,635,340
Nashville, &c. (Inland)	181,000	460	80,260,000
Virginia and North Carolina	65,420	425	27,803,500
	<u>2,270,909</u>	<u>466.45</u>	<u>1,068,202,592</u>

The average net weight of all the American (United States) cotton received at Liverpool the last three year was 444 pounds per bale. As gross weights are always given in our statistics, the tare (equal to $4\frac{1}{2}$ per cent of the gross weight) must be added to this average, and the result will be an average of 466 pounds. A further test has been made by the committee. By the courtesy of manufacturers and merchants of Boston dealing in cotton, they collected from them the actual invoice weights of nearly 180,000 bales, taken without selection, of the crop of 1868-9, as follows:

	Bales.	Pounds.	Average weight.
From merchants	85,561	37,236,591	474.21
From manufacturers	93,564	44,167,287	472.05
Total	<u>179,125</u>	<u>81,403,878</u>	<u>471.13</u>

Of this the greater part was from Memphis, Mobile, Savannah and New Orleans, and its average is above the average of the whole crop.

As the result of these several inquiries, we have the following:

Average weight of bales—As per returns of Northern mills	lbs.	465 3-10
Invoices from Southern markets		465%
Liverpool weights, with tare restored		465
Boston weights		473%

And these result in the common average used by the committee, at 466 pounds per bale for the whole crop.

Respectfully submitted.

THE STATE DEBT OF ARKANSAS.

The State of Arkansas in 1827 and 1838 issued bonds to the amount of one million seven hundred and seventy-two thousand dollars, to establish a banking institution in that State.

The failure of the banks to which the bonds were issued, and which were expected to pay the interest upon them semi-annually, left these obligations unprovided for, and since 1841 the State has been in default in regard to them.

The Legislature of Arkansas at its last session passed an act authorizing the issue of new bonds in payment of the principal and interest upon the whole debt. The new bonds amount, with back interest, to the sum of four million four hundred and twenty-five thousand dollars; they have been issued, and are now ready to be exchanged at the American Exchange National Bank in this city; and provision has been made by law for raising a sufficient amount by taxation to pay the interest upon these new bonds as it becomes due.

This act of the State of Arkansas is honorable to its people, and they will find it advantageous to themselves in the growing prosperity and improved credit of the State.

THE DEBT STATEMENT FOR OCTOBER.

The following is the official statement of the public debt, as appears from the books and Treasurer's returns at the close of business on the last day of October, 1869:

Debt bearing interest in Coin.

Character of Issue.	When Payable.		
5's, Bonds.....	After 15 years from January 1, 1859.....		
6's, Bonds.....	After 10 years from January 1, 1861.....		
6's of 1861.....	After December 31, 1880.....		
6's, Oreg. War, '81. Redeemable 20 years from July 1, 1861.....			
6's of 1861.....	At pleas. after 20 years from June 30, '61.....		
6's, 5-20's.....	20 years from May, 1, 1862*.....		
6's of 1861.....	After June 30, 1881.....		
6's, 10-40's.....	40 years from March 1, 1864†.....		
6's, 3-20's.....	20 years from November 1, 1864*.....		
6's, 5-20's.....	20 years from November 1, 1864*.....		
6's, 5-20's.....	20 years from November 1, 1865*.....		
6's, 5-20's.....	21 years from July 1, 1865*.....		
6's, 5-30's.....	30 years from July 1, 1867*.....		
6's, 5-20's.....	20 years from July 1, 1868*.....		
Aggregate of debt bearing interest in coin.....		\$2,107,986,800 00	\$48,271,137 88
Coupons due, not presented for payment.....			8,250,706 26
Total interest.....			\$52,024,848 96

Debt bearing interest in Lawful Money.

3's, Certificates, On demand (interest estimated).....	\$47,640,000 00	\$1,071,900 00
3's, Navy pen. fd. Interest only applic. to pay. of pensions.....	14,000,000 00	147,000 00
Aggregate of debt bearing interest in lawful money.....	\$61,640,000 00	\$1,211,900 00

Debt on which interest has ceased since maturity.

6's, Bonds.....	Matured December 31, 1862.....	\$6,000 00	\$360 00
6's, Bonds.....	Matured December 31, 1867.....	14,150 00	849 00
6's, Bonds.....	Matured July 1, 1868 (9 months' inter.).....	88,700 00	2,641 50
5's, Texas indem. Matured December 31, 1864.....		242,000 00	12,100 00
Var., Tr'y notes. Matured at various dates.....		103,614 64	8,072 85
5-6 3/4's, Tr'y notes. Matured March 1, 1859.....		2,400 00	120 00
6's, Treas. notes. Matured April and May, 1863.....		3,250 00	195 01
7-3-10's, 3 years. Matured August 19 and October 1, 1864.....		31 00	1,131 50
5's, 1 & 2 years. Matured from Jan 7 to April 1, 1866.....		300,852 00	15,042 60
6's, Certif. of ind. Matured at various dates in 1866.....		12,000 00	720 00
6's, Comp. int. n. Matured June 10, 1867, and May 15, 1868.....		3,576 210 00	495,801 46
4, 5 & 6's, Temp. l. Matured October 15, 1866.....		182,410 00	7,564 65
7-3-10's, 3 years. Matured August 15, 1867, and June 15, 1868.....		857,400 00	81,285 10
Aggregate of debt on which int. has ceased since matur.....		\$4,399,986 64	\$570,993 16

Debt bearing no interest.

Authorizing acts.	Character of issue.	Am't. outstand.
July 17, 1861 and Feb. 12, 1862.....	Demand notes.....	\$11,258 50
Feb. 25 & July 11, '62, & Mar. 9, '63.....	U. S. legal-tender notes.....	336,000,000 00
July 17, 1862.....	Postal currency.....	87,033,442 38
March 3, 1863 and June 30, 1864.....	Fractional currency.....	28,731,520 00
March 3, 1863.....	Certificates for gold deposited.....	
Aggregate of debt bearing no interest.....		\$421,980,220 88

Recapitulation.

	Amount Outstanding.	Interest
DEBT BEARING INTEREST IN COIN—Bonds at 5 p. cent.....	\$22,581,000 00	
Bonds at 6 p. cent.....	1,86,347,500 00	
Total debt bearing interest in coin.....	\$2,107,986,800 00	\$52,024,84 96
DEBT BEARING INTEREST IN LAWFUL MONEY—		
Certificates at 3 per cent.....	\$47,640,000 00	
Navy pension fund, at 3 per cent.....	14,000,000 00	
Total debt bearing interest in lawful money.....	\$61,640,000 00	1,211,900 00
DEBT ON WHICH INT. HAS CEASED SINCE MATURITY.....	4,399,986 64	570,993 16
DEBT BEARING NO INTEREST—		
Demand and legal tender notes.....	\$339,118,258 50	
Postal and fractional currency.....	87,033,442 38	
Certificates of gold deposited.....	28,731,520 00	
Total debt bearing no interest.....	\$421,880,220 88	
Total.....	\$2,595,847,62 88	\$53,807,208 11
Total debt, prin. & int., to date, including coupons due not presented for payment.....		\$2,649,654,74 26

* These bonds are redeemable at any time after 5 years from the date here given and payable after 20 years.

† These bonds are redeemable at any time after 10 years from the date here given and payable 40 years.

AMOUNT IN THE TREASURY—

Coin.....	\$114,984 211 00
Curncy	7,301,256 14
Sinking fund in United States coin in 'st bonds, and acc'ued interest thereon	18,200,101 00
Other United States coin interest bonds purchased, and accrued interest thereon.....	46,920,546 00
Total.....	\$188,823,241 90
Debt, less amount in the Treasury.....	\$2,461,131,199 76
Debt, less amount in the Treasury on the 1st ultimo.....	2,408,686,671 11
Decrease of debt during the past month.....	7,353 85 73
Decrease of debt since March 1, 1869	\$64,32,670 00

Bonds issued to the Pacific Railroad Companies, Interest payable in Lawful Money.

Character of Issue.	Amount outstanding.	Interest accrued and not yet paid.	Interest paid by United States.	Interest repaid by transp'tion of mails, &c.	Balance of interest paid by United States.
Union Pacific Co.....	\$26,668,000 00	\$5,3,38 97	\$2,081,809 89	\$1,105,941 51	\$975,25 30
Kansas Pacific, late U.P.....					
E. D.....	6,303 000 00	126,040 00	834,813 00	631,224 99	203 588 70
Sioux City and Pacific.....	1,528,320 00	22,563 40	96 508 69	16 27	96 43: 43
Central Pacific	2,362,000 00	41,54 22	588,816 81		
Central Branch Union Pacific, assignees of Atchison & Pike's P'k.....	22,009,100 00	439,294 84	1,130,390 75	94,256 48	1,624,460 10
Western Pacific	1,600,000 00	82,000 00	205,808 26	5,290 79	200,317 47
	1,643,000 00	10, 35 64	46,606 03		46,606 03
Total issued.....	62,188,820 00	1,215,350 09	4,984,122 51	1,836,730 04	3,148,062 30

DEBT OF NORTH CAROLINA.

A pamphlet upon the debt of North Carolina has recently been issued by H. Bowlby Wilson, Esq., No. 7 Nassau street, which contains a very complete statement of the present situation of the financial affairs of that State. We have only space to give a summary of the valuable contents of this pamphlet, and those of our readers who are interested in the subject will do well to procure a copy for careful perusal.

OF THE DEBT OF NORTH CAROLINA AT THE COMMENCEMENT OF THE CURRENT FISCAL YEAR, OCTOBER 1ST, 1868, AND APPROPRIATIONS SINCE MADE, IN CONFORMITY WITH SECTION 5 AND 8 OF ARTICLE V. OF THE NEW CONSTITUTION, IN AID OF UNFINISHED PUBLIC WORKS. THOSE MARKED WITH AN ASTERISK, THUS (*), ARE SPECIAL TAX BONDS.

Name of Corporation.	Date of New Issues.	Jan. & July Am. int.
Reported October 1, 1868.....		\$10,751,25
Western (Coalfield) R. R. Co.....	July 1, 1868,	50,000
*Atlantic, Tennessee & Ohio R. R. Co	July 1, 1869,	2,000,000
*Wilmington, Charleston & Ruth. R. R. Co.....	July 1, 1869,	4,000,000
		\$16,751,25
Reported October 1, 1868.....		April & Oct. \$4,521,70
Bonds for funding interest.....	Oct 1, 1868,	2,000,000
*Williamston & Tabor R. R. Co.....	" "	300,000
*Western N. O. R. R. (Eastern Division).....	" "	340,000
* " " " { Western " }.....	" "	4,000,000
* " " " { " " }.....	April 1, 1869,	2,600,000
* " " " { Eastern " }.....	" "	232,400
*Northwestern N. C. R. R. Co.....	" "	1,400,000
*Western (Coalfield) R. R. Co.....	" "	1,500,000
		\$17,516,70
January and July Bonds.....		\$16,773,45
April and October Bonds.....		77, 16,700
		\$34,230 95
Chargeable on general revenue.....		\$18,049,945
Special tax or preferred debt.....		16,940,000
Total debt.....		\$34,230,945

The old and new debts appear to hold the same rank as charges on the revenue.

Mr. Wilson remarks on the debt as follows : " It will be seen that the total debt of North Carolina amounts to a little over thirty-four and one quarter millions of

dollars (\$34,289,945), all of which bears an interest of six per cent, payable half yearly.

"Of this amount eighteen millions and forty-nine thousand nine hundred and forty-five dollars (\$18,049,945) is chargeable, principal and interest, on the general revenues of the State, and sixteen millions two hundred and forty thousand dollars (\$16,40,000) are provided for by special taxes at rates specified in Statement No. 2, which is in conformity with the requirements of Sections 5 and 8 of Article V of the new Constitution. The effect of this legislation is to make the new issue of bonds, since first October, 1868, a preference charge on the entire assessable property of the State. Whatever may be said respecting the policy of creating what, in effect is a preferred debt, the fact nevertheless exists. In other words, the holders of the first class of bonds must rely on the future development of the industrial resources of the State for the means to meet the interest thereon, whilst those who hold the second class will receive prompt payment, if the valuation of the assessable property amounts to enough to cover the whole issue.

The special tax authorized to be levied by the several acts, is equal in the aggregate to 47.08 of one per cent on the whole assessable property of the State, which, as will hereafter be seen, amounts, on a close estimate founded on the last census, to over \$250,000,000. The sum that will accrue and be applicable to the interest on the gross amount of special tax bonds will amount to \$1,177,000, while the interest is only \$974,400, leaving an annual surplus of \$202,600, as a sinking fund.

TENNESSEE DEBT.

The biennial report of the Comptroller of the State of Tennessee, as submitted to the General Assembly, shows the following relative to the State finances:

To balance in the Treasury Oct. 1, 1867, \$589,950 54.

Less the following credits: Over checks in banks, \$ 0,016 30; paid members of the Legislature by Dr. Stanford, Treasurer, \$1,932 84; Bank of Tennessee money, \$311 64; Tennessee National Bank, Memphis, \$58,142 71, making a total of \$90,403 49, which left an actual balance in the Treasury of \$499,547.

Amounts paid into the Treasury on warrants issued for the two years ending Nov. 30, 1869, and on previous issues, \$5,887,629 55. Grand total received and in the Treasury, \$5,887,176 90.

Within the same time there has been paid out of the Treasury \$5,857,967 06; leaving in the Treasury Oct. 1, 1869, \$29,209 54.

The following gives the receipts and expenditures for the first year ending Oct. 1, 1878:

To balance in the Treasury, Oct. 1, 1867, \$499,547 05.

Payments into the Treasury on warrants issued this year, and on former issues, \$2,545,747 49.

Payments out of the Treasury on warrants issued this year, and on former issues, \$3,023,945 52, leaving a balance in the Treasury on the 1st of October, 1868, of \$23,319 02.

The following gives the receipts and expenditures for the second year, ending Oct. 1, 1869:

To balance in the Treasury, Oct. 1, 1868, \$21,349 02.

Payments into the Treasury on warrants issued this year, and on previous issues, \$2,842,209 06.

Payments out of the Treasury on warrants issued this year, and on former issues, \$2,834,348 54.

Balance in the Treasury 1st October, 1869, \$29,209 54.

The following is a statement of the State debt proper:

Turnpike.....	\$1,228,356 66
Bank of Tennessee.....	1,000,000 00
Railroads.....	410,250 00
Hermitage Purchase.....	48,000 00
State Capitol.....	658,000 00
Total.....	\$3,344,606 66
Funded Interest.....	785,553 00
Total.....	\$4,030,159 66

The State has loaned to turnpike roads \$545,000 in bonds.

The following is a statement of the Railroad debt :

State bonds loaned.....	\$25,412,000
Bonds indorsed by the State	2,194,000
Funded interest	2,213,046
Interest to July 1, 1866.....	2,304,477
Total.....	\$32,117,523

Claim of the United States *vs.* Edgefield and Kentucky Railroad assumed, \$180,804.

Claim of the United States *vs.* Memphis and Clarksville Railroad, assumed, \$80,756 24.

This added to the former total, makes \$34,639,084 89.

The total debt, including State debt proper, bonds loaned to turnpikes, bonds loaned to railroads, is, by the above figures, \$39,264,244 55.

Since the war there have been loaned to the railroad companies, in bonds, \$13,292,000, and to turnpike companies, in bonds, \$55,000—making a total of \$13,347,000.

The following despatch is of interest in this connection :

NASHVILLE, Oct. 18.—In the Senate, to-day, the following resolutions were unanimously adopted :

Resolved, That the people of Tennessee will never signalize their restoration to the control of public affairs by countenancing, in any manner, a disregard of their public obligations.

Resolved, That under strict retrenchment and rigid economy in all other respects, all the available revenues and resources of the State should be faithfully appropriated to the payment of the interest on our bonded debt, and the security of the principal at maturity, for which they are in honor bound.

Mr. A. J. Fletcher, Secretary of State of Tennessee, in a letter to the *New York Times* remarks that statements to the effect that the business of cancelling old bonds and issuing new ones has been conducted in a careless manner, without full and accurate record of transactions, are all untrue, and that all the proper books have been kept and the business conducted with the usual care practiced in such operations. He says further :

"Any able business man, if he could be untrammelled, can take charge of the finances of Tennessee, and by a judicious management of the State's lien on her railroads, reduce the debt of the State in twelve months to nine million dollars—a sum that the people of the State would not be conscious of. Half of the entire debt rests upon the railroad companies who pay their interest without difficulty, and who are already considering the project of buying in the bonds of the State to an extent sufficient to extinguish their entire liability to the State. This would certainly be sound financial policy on their part, and as the Louisville and Nashville Railroad Company has done so, strong hopes are entertained that other companies will follow.

"Your correspondent gives the new bondholders the comforting assurance that their interest will not be paid for ten years. The duration of the suspension of the payment of the interest on the State debt will depend upon the action of the Legislature, now about to commence. Some of the ablest men in the State are members of that body, including learned lawyers and experienced business men and large property holders. Of course no prediction can be safely made as to the duration of the suspension, but there is no reason why payment should not be resumed in two years.

TESTS OF STEEL RAILS.

The circular of Messrs. John A. Griswold & Co., of Troy, New York, thus describe their method of testing steel rails :

"1st. A testing ingot from each five-ton ladleful of liquid steel is hammered into a bar and tested for malleability and hardness, and especially for toughness, by bending it double cold. In case any test bar falls below the standard established as suitable for rails, all the ingots cast from that ladleful of steel are laid aside for other uses.

"2d. All the ingots, and each rail rolled from them, are stamped with the number

of the charge or ladleful. A piece is cut from one rail in each charge, and tested by placing it on iron supports a foot apart, and dropping a weight of five tons upon the middle of it from a height proportioned to the pattern of rail. A blow equivalent to a ton weight falling 10 to 15 feet is considered a severe test. We use a five-ton weight falling from a less height, believing that it more nearly represents in kind (although it of course exaggerates in severity) the test of actual service in the track.

"In case a test rail does not stand the blow deemed proper and agreed upon, the whole of the rails made from that charge or ladleful of steel are marked No. 2, and sold for use in sidings, where their possible breaking would do no great harm, and where their greater hardness and resistance to wear would be specially valuable.

"In addition to this double test, the rails are rigidly inspected for surface imperfections.

"We believe that these tests render it practically impossible for us to send out rails of inferior quality.

"We further invite railway companies to send inspectors to our works to witness the tests mentioned, and other tests and inspections agreed upon."

RAILROAD ITEMS.

NORTH CAROLINA RAILROAD.—The report of this company for the year ending May 31, 1869, shows that the earnings and expenditures are as follows :

EARNINGS.	
From passengers	\$196,187 95
" freight	364,140 90
" mails	16,725 00
" rent of cars	4,843 64
Total	\$581,897 49
EXPENDITURES.	
Conducting transportation	\$103,174 62
Loss and damage	2,556 61
Maintenance of motive power	25,879 63
Maintenance of cars	37,543 27
Maintenance of road	92,703 27
Buildings and bridges	10,901 28
New railroad iron, chairs and spikes	72,655 34
Subsistence for hands	17,479 66
Total	\$401,110 87
Net operating expenses ..	\$261,233 00
Leaving as net income over operating expenses	320,664 40

Of the above amount \$189,877 is regarded as extraordinary expenditures.
The earnings and expenses for four years past have been as follows :

	Passengers.	Freight.	Total.
For year ending May 31, 1866	\$198,663	\$599,730	\$798,392
" " May 31, 1867	201,762	816,797	619,559
" " May 31, 1868	172,775	865,165	587,940
" " May 31, 1869	196,188	885,710	581,898

Expenses for the fiscal year ending—

	Old.	New.	Total.
May 31, 1866	\$71,045 33	\$913,820 46	\$984,875 79
" 31, 1867	244,323 49	444,132 74	690,456 23
" 31, 1868	97,130 79	411,395 64	508,526 43
" 31, 1869	58,972 99	401,110 87	470,083 86

The debt of the company, as shown in the financial statement, is \$677,859 04. Considering the assets on hand of \$110,522 93 applied to this debt, we have the sum of \$567,336 11, and from this take the probable deduction of \$33,656 89, which will be on the Negro bonds given in 1864 and 1865, and it will leave a debt of \$533,679 72. The President remarks :

"It is the desire of the administration to have all the debt in the mortgage bonds of the company running twenty years. Of this debt there is \$146,000 in the twenty year bonds, to which add \$15,230, the balance on Dividend No. 9, and the scrip

which is convertible into such bonds, and it makes \$161,580, which sum will reduce the debt to be changed into the twenty year bonds to \$372,449 72, which change can be easily effected by the assistance of our stockholders.

"To manage the road with success and pay dividends, to give it credit in the financial circles, and even along its line, it is necessary that its present liabilities be so arranged that its current expenses can be paid promptly, and the dividends and other debts cashed by the Treasurer as they are made or become due. The financial statement shows why no dividend is declared. I consider it just to the stockholders that not less than six per cent be paid, and that in cash. It is very unwise to pay dividends in the bonds of the corporation when it subjects the bonds to such heavy discounts as have been the past year, which, if continued, would soon lead to bankruptcy, thereby depriving you of your all—your stock.

AMOUNT OF BONDS ISSUED UNDER THE MORTGAGE.

"At your annual meeting in 1867 it was ordered that \$800,000 first mortgage bonds be issued, and at your last annual meeting a resolution was passed authorizing the President and Directors to issue \$700,000 more—making in all \$1,500,000, the total amount of mortgage on the road.

"It has not been necessary to issue any Bonds under the last resolution of your Company. We have on hand at present \$193,500 of the \$800,000 ordered to be issued at your annual meeting in 1867.

SINKING FUND.

"The company has paid during the year to the Trustees \$35,000 in the five year bonds, \$30,000 in the ten year bonds, and \$76,500 in the twenty year bonds.

"On the 1st of January next the payments will be \$45,000 in the five year bonds and \$30,000 in ten year bonds. Nothing will be required on the twenty year bonds, as the payment made this year on the amount signed is more than will be required in six years.

AID GIVEN TO THE COLUMBIA AND AUGUSTA RAILROAD COMPANY

"Under authority given in a resolution at your last meeting, the company purchased from the Columbia and Augusta Railroad Company \$100,000 of its bonds at par, for which notes were given to said company in monthly instalments of \$12,500 each, the first being due October 1st, 1868, and the last May 1st, 1869. These obligations have all been paid by our Treasurer as they became due.

"The bonds bought from the Columbia and Augusta Railroad Company have been disposed of at an average discount of 15½ per cent; \$97,000 during this fiscal year and \$3,000 since the close of the year. This \$100,000 discount will no doubt soon be replaced by increased travel and freight over our line, caused by the completion of the Columbia and Augusta Railroad to Augusta."

HARTFORD AND NEW HAVEN RAILROAD.—The earnings of this road for the years ending August 31, 1868 and 1869, were as follows:

	1868.	1869.
From passengers.....	\$891,091 20	\$973,890 50
" freight	632,454 06	771,786 80
" expresses.....	114,709 50	56,009 41
" mails.....	55,637 28	23,754 48
" rents, etc.....	2,432 35	8,001 01
	<u>\$1,697,324 39</u>	<u>\$1,811,652 20</u>
Expenses, viz.:		
Repairs of road and bridges.....	\$326,427 99	\$312,887 50
Wood, coal and oil.....	96,318 14	111,102 01
Material and labor on engines and cars, and new cars and engines.....	234,538 38	242,648 31
Transportation account and general expenses.....	325,867 93	317,836 94
Station repairs and improvements	48,009 83	55,977 59
Lost and damaged goods, gratuities, etc.....	3,472 79	7,677 25
	<u>\$1,034,632 08</u>	<u>\$1,073,573 55</u>
Net earnings.....	662,692 31	738,078 65
Interest and taxes.....	190,808 50	165,064 24
Balance.....	<u>\$481,510 89</u>	<u>\$568,219 41</u>

Compared with the previous year, the gross earnings of 1868-9 show an increase of \$114,347 81, with an increase in expenses of \$58,443 47—making the increase in net earnings, \$60,904 34. The balance remaining after the payment of interest and taxes is \$66,628 60 more than that of the preceding year.

BALANCE SHEET. AUGUST 31.			
Capital stock.....	\$3,800,000 00	Railway building, grounds.....	\$2,407,284 76
Bonds.....	927,000 00	Real estate, land and dwellings..	182,817 48
Contingent fund.....	427,875 65	Bonds purchased.....	38,000 00
Reserve fund.....	15,000 00	Timber on Bridge stock.....	8,884 67
Profit and loss.....	252,011 41	Equipment engines and cars. ...	254,000 00
Dividends un. a'd.....	7,097 00	Wood, stock, and tools on hand..	253,440 07
Debts due by the Co.....	62,805 64	Debits due the company, includ-	
		ing accounts due from the N.	
		Y & N. H. R. R. Co. adjusted,	
		and funds in hands of agents...	454,697 48
		Connecticut River Bridge.....	176,577 31
		Steamboat Orient.....	196,083 81
		New Wharf, New Haven.....	45,823 57
		Wind-er Locks and Suffield R.	
		P. Co.....	1,344 18
		Cash.....	158,847 87
			\$5,126,789 70

At the meeting of stockholders it was resolved to accept the legislative permission to issue \$3,000,000 new stock.

EAST TENNESSEE AND GEORGIA RAILROAD.—The report for the year ending June 30, 1869, shows the gross earnings and expenses as follows :

EARNINGS.	
From freight.....	\$271,587 97
“ Ex. resa.....	10 725 04
“ Passengers.....	222,949 16
“ Transportation, United States..	5 1 89
“ Mail.....	12,670 02
“ Other sources.....	10,550 48
Total	\$515,994 56
EXPENSES.	
For transportation.....	\$59,518 74
“ Motive power.....	82,339 18
“ Maintenance of way ..	90,694 33
“ Maintenance of cars.....	52,816 55
“ General expenses.....	15,919 02
“ Extraordinary expenses.....	20,250 06
“ Taxes.....	5,534 51
“ Depot buildings.....	2,879 77
Total	\$317,018 18

Which, deducted from the gross earnings, as above, would leave \$168,981 43 net to pay interest to the State of Tennessee and on second mortgage bonds, the interest on which amounts to \$141,460 64. This, taken from the net earnings as above would leave a balance of \$ 7,520 89 ; of this sum \$14,181 91 has been retained during the year by the Government and credited upon the bond, which leaves on hand for the year's operations \$13,538 98. By comparing these figures with those of the annual report of the year ending June 30, 1868, it will be seen that while the earnings of the present year exceed that of the previous year \$3,080 05, that the expenses have been reduced very greatly. Including extraordinary expenses and all, it has taken 67½ per cent of the gross earnings to operate the road.

The President remarks: “Since the last annual meeting of this company we have succeeded in effecting a settlement with the State of Tennessee, of our interest and sinking fund account, which has been the cause of so much annoyance and trouble since the war; because, from the annual reports of the Comptroller of the State of Tennessee, made to the Legislature, it was made to appear that we were largely in arrears in our semi-annual payments of interest, which the effect to damage our credit, from the fact that outside parties did not know but a receiver might be appointed to take charge of the road, for non-payment of interest due to the State. This apparent difference of the accounts of the Comptroller and the company existed, not from a want on the part of the officers of the State to do us damage, but from honest convictions on their part that they had no right to credit the company with certain payments that had been made after the 1st of January, 1861. But, under

a recent decision of the Supreme Court of the State, all payments made to legally authorized parties upon all contracts were, legal and valid, when they were received without protest. And under this decision of the court a full and complete settlement was made; this company having made these payments to the Bank of Tennessee, the fiscal agent of the State, before the removal of the bank from the State; which settlement, as made, is in accordance with our books and is satisfactory to the State and to the officers of this company.

"The interest due to the State of Tennessee, as well as on our second mortgage bonds, was paid in full on the 1st day of July last."

ABSTRACT OF THE GENERAL CONDITION OF THE EAST TENNESSEE AND GEORGIA RAILROAD COMPANY, ON THE 30TH DAY OF JUNE, 1869.

Capital Stock.....	\$1,290,067 25	One Stat. Bond.....	\$1,000 00
State Scrip.....	24,929 00	One Endorsed Bond....	1,000 00
State Loan—Old... ..	1,037,000 00	From State Coupons.....	120 00
" " New.....	430 377 50	Telegraph Stock.....	750 00
Company Bonds—Old.....	640,000 00	Express Company Stock.....	5,000 00
" " New.....	136,400 00	Post Office Department.....	8,062 97
Endorsed Bonds.....	1,500,000 00	U S Transportation Account.....	\$2,134 00
Coupons Company Bonds.....	7,030 00	Southern Express Co.....	704 06
" End. recd.....	5,700 00	Holston Salt & Plaster Co.....	1,164 00
Bills Payable.....	1,812 49	Due from Agent.....	2,963 00
United States Income Tax.....	1,454 40	" Other Roads.....	\$1,843 67
Pay Rols.....	16,236 40	Funds on hand to pay interest,	
Due to Agents.....	844 46	Purchase Iron, Rails, &c.....	\$4,222 06
" Other Roads.....	19,773 18	Funds in Augusta, Georgia, to	
" Individuals.....	1,420 84	pay interest.....	2,145 26
Interest due 1st July on Com-		Ca h.....	\$2,261 66
pany and Endorsed Bonds.....	26,712 00	Road and fixtures.....	1,425,764 24
	<u>\$3,759,157 52</u>		<u>\$3,759,157 52</u>

Messrs. Henry Clews & Co. advertise to pay both the April and October coupons on the Special Tax Bonds of the State of North Carolina, at their banking house 32 Wall street.

JEFFERSONVILLE, MADISON, AND INDIANAPOLIS RAILROAD.—The report for the year ending December 31, 1868, has just been issued, and contains the following:—

The gross receipts of the road, during the year 1868, were \$1,063,523 73. As compared with the previous year, when the receipts amounted to \$1,164,799 92, this indicates a decrease of nearly nine per cent. This falling off was caused, in a great measure, by the sharp competition for business that was waged, during a large portion of the year, between the four principal roads known as "trunk lines"—a contest which affected not only the revenues of those particular roads, but of all others, including our own, doing business in connection with them.

By the terms of a written contract between the City of Louisville and the Jeffersonville Railroad Company, dated November 10, 1863, the debt due by the railroad company to the city, then amounting to \$200,000, was to be discharged by the delivery, within five years, of a like amount of any of the outstanding bonds of said city. Pursuant to this agreement, the Jeffersonville Railroad Company delivered \$50,000 of such bonds in December, 1863, thereby reducing the debt to \$150,000. Some time before the expiration of the five years mentioned in the contract, this company made a purchase of Louisville city bonds to the extent of \$75,000, and tendered them to the proper authorities of that city in further liquidation of the debt. This tender was unconditionally declined, under advice of the City Attorney, who held the opinion that the contract between the city and the Jeffersonville Railroad Company was illegal and void in so far as it permitted any bonds to be received except the particular issue upon which the debt was based. After this refusal, of course no further steps in the case were taken by the company.

If the decision of the City Attorney is to be regarded as conclusive, it is not believed that our position has been affected unfavorably, since it will only remain for this company to discharge her liability in the premises by redeeming \$150,000 of the bonds originally issued by the city of Louisville to the Jeffersonville Railroad Company, when the same mature, viz.: May 1, 1882, or earlier, should it be deemed desirable and found practicable to do so—meanwhile anticipating events by exchanging for those bonds the securities we now hold, whenever the opportunity can be made on favorable terms.

The late period at which this report goes to press permits a close estimate to be made of the company's business for the first six months of 1869. The receipts indicate a steady and handsome increase over those for the corresponding months of 1868—sufficient to warrant the belief that the earnings of the present year will considerably exceed those of 1868, if indeed they do not equal those of 1867.

RECEIPTS AND EXPENSES.			
RECEIPTS.		EXPENSES.	
Freight.....	\$52,596 18	Fuel.....	\$74,958
Passengers.....	434,546 65	Passenger Expenses.....	84,790
Expenses.....	30,280 90	Freight Expenses ..	116,989
Mail.....	26,106 10	Repairs of Road.....	185,844
		Other Expenses.....	235,966
Total Receipts.....	\$1,063,523 73	Total Expenses	\$698,568
		Net earnings.....	364,955

The passenger business shows a decrease of \$23,587 69. Eliminating from the passenger accounts for 1867 and 1868, the military transportation performed during the war, but only reported to us and entered on our books during those years, the earnings will appear as follows :

Passenger Receipts for 1867.....	\$458,184 84	
Deduct old Military Reports.....	11,189 96	\$446,944 88
Passenger Receipts for 1868.....	\$434,546 65	
Deduct old Military Reports.....	1,271 10	433,275 55
Decrease.....		\$12,669 83

The falling off in the regular travel is, therefore, only \$12,668 83.

CONDENSED BALANCE SHEET.			
Cost of Road and Equipment.....		Capital Stock.....	
\$6,027,842		\$2,000,000	
<i>Investments—</i>		<i>Funded Debt—</i>	
Jeffersonville R. R. Bonds.....	40,000	Jeffersonville R. R. Bonds.....	397,000
Indianapolis & Madison RR. Bonds	197,500	Indianapolis & Madison RR Bonds	612,000
City of Louisville Bonds.....	76,000	Jeffersonville, Madison & Indianapolis R.R. Bonds.....	1,961,000
Stock in Louisville Bridge Company.	80,000	Bonds of the City of Louisville....	150,000
Lake Erie & Louisville Railroad Company	194,992	Temporary Bond Account.....	50,000
Outside Real Estate.....	80,863	Surplus fund of the Jeffersonville RR	
Bills Receivable.....	12,848	Company.....	770,445
Cash.....	37,412	Profit & Loss.....	662,193
Due by the United States.....	9,165	Capital Stock Sinking Fund.....	40,442
Due by Railroad Companies.....	68,402	Bills Payable.....	259,833
Due by other Associations and by Individuals.....	100,680	Due to Railroad Companies.....	105,868
Due by Agents.....	64,481	Due to other Associations and to Individuals.....	176,146
Fuel and other Supplies on hand.....	86,245		
			\$7,284,934
	\$7,284,931		

KANSAS PACIFIC RAILWAY.—A correspondent of the New York Times, under date of Sept. 26, writes in regard to this road as follows: While acknowledged to be at least as deserving as the Union and the Central Pacific, the Kansas Pacific was not as lucky as its competitors; for when the line had been built to a distance of 893 miles, Congress suddenly shut down on any further subsidy. However, the road was last year, by private enterprise, pushed out some miles further, and it now abuts at Sheridan, 406 miles west of the Missouri River. From Sheridan preparations are under way to extend the line 225 miles to its natural terminus at Denver, whence it will connect with the Union Pacific, by the "Denver Pacific Railroad," now actively under construction and to be finished this year.

THE GOVERNMENT LAND GRANTS.

Government was liberal in its grants of public land to the builders of the Kansas Pacific Road; and it is mainly to this circumstance that the already-mentioned astonishing progress of the State of Kansas is attributable. The concession, as is well known, was of the alternate section within twenty miles of the road on each side. This gave the Company above six million acres of land lying between Kansas City and Denver. It is worthy of remark, in passing, that this provision on the part of the Government (by which the railroad receives only the alternate or "odd-numbered" section) is regarded by the people here as an exceedingly wise one, for it completely balks the speculators who would, otherwise, absorb large tracts of land to hold for

a rise. At the same time, parties buying lands in bulk from the railroad company and settling them with actual settlers, are enabled to obtain, under the Homestead law, the adjoining ("even-numbered") sections from Government.

ACTION OF THE RAILWAY CORPORATION—LAND SALES.

To people the wilderness through which the road runs was, of course, the first care of the corporation, and to this end judicious measures were taken. The Company has been selling and is going to sell, at very low prices, farms to actual settlers.

In a general way, then, I may state that the Kansas Pacific Road has this year sold upwards of 275,000 acres. With unimportant exceptions these sales have been made to actual settlers, as, indeed, is sufficiently evinced by the fact that the purchases have been from 80 to 320 acres each, and that the sales have been made to over 2,000 different individuals. The price has varied from \$2 to \$6 per acre. The gross receipts of the Kansas Pacific Company from these land sales have reached the large aggregate of above \$600,000, which would make the price per acre something less than \$3. These sales are increasing in a wonderful ratio, while the perfect satisfaction which emigrants have found in the climate, soil and rich agricultural rewards of Kansas forms a powerful attraction with those who hear from their old neighbors such good accounts. Nor is this movement confined to our own countrymen; for, owing to the systematic organization of the National Land Company, which works in concert with the Kansas Pacific Road, very large sales of land have of late been made to English, German and Swedish colonists. Here, for instance, are two or three illustrations. They are samples from among many.

ENGLISH AND GERMAN COLONISTS.

1. A single English colony, a few weeks ago, bought 30,000 acres of land here. The tract is to be divided among no less than twelve hundred different families, the families of well-to-do English farmers and artisans. I saw a score of these families, who have already arrived. They bring with them the means to stock their farms, and build themselves houses, and they have already bought mowing machines, feed for their cattle, &c. 2. A German colony has recently bought some 24,000 acres north of Junction City, (180 miles west of the Missouri,) upon which one hundred and twenty families are to be established. 3. A Swedish colony, a year ago, bought 15,000 acres south of Salina. This colony has already sent out over two hundred families."

COMMERCIAL CHRONICLE AND REVIEW

Monetary Affairs—Rates of Loans and Discounts—Bonds sold at New York Stock Exchange Board—Price of Government Securities at New York—Course of Consols and American Securities at New York—Opening, Highest, Lowest and Closing Prices at the New York Stock Exchange—General Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.

October has passed with an easier condition of the money market than was expected. Notwithstanding the abundance of the crops, the amount of currency sent from this centre for moving them has been much less than usual. This fact arises partly, perhaps, from the reduced prices of produce, but principally from the circumstance of the banks not having had sufficient small notes to meet the wants of the agricultural sections, where the lower denominations of currency are required for the purchase of grain from the producers. This circumstance, while it has helped to keep money comparatively abundant here, so that the rate on call loans has ranged, in the midst of the crop season, at 4@7 per cent, must be expected to be followed by an unusually light return of currency after the completion of the crop movement. Some considerable amounts of money were sent, early in the month, to New Orleans and Savannah; but, later, the demand from that quarter ceased almost entirely. The South would, undoubtedly, have drawn upon New York more freely, had the banks been able to supply small

currency; to send notes in denominations of over \$50 was of no avail, when the money was required largely by interior dealers for the purchase of small lots of cotton. The cotton traders have, consequently, been compelled to effect their operations as best they could, though, of course, with some inconvenience. Throughout the month the deliveries of new currency of the lower denominations from the Treasury have been quite nominal. The expectation of an ample supply of small notes in November, and the supposition that money might then be sent out more freely to the South and West, have induced the banks to keep their funds as much as possible on call, in preference to employing them on time. Merchants have, consequently found it difficult to get their paper discounted outside their own banks, and the difficulty in selling notes has again increased the pressure from sellers, which, in turn, has produced distrust among buyers, and at the close of the month, the best paper was negotiated with difficulty at 10@12 per cent. This stringency in the discount market has, perhaps, been the most unsatisfactory feature of the business of the month.

Wall street speculation still shows the effect of the severe blow dealt in the culmination of the September gold operations. That denouement gave an exposure of the hollowness of a certain class of speculative operations which appears likely to hold the gambling propensities of the "street" hereafter in severe check. Operators appear disposed to conduct their speculations within a lower range of prices; and in every branch of business there is a very marked caution. There is a certain undefined hesitancy about engaging in operations for high prices, which appears to be inspired by a conviction, grounded upon the general aspect of affairs, that we are on the eve of a generally lower range of values. The markets have been more or less affected by a disposition to discount the probability that Secretary Boutwell, in his report on the assembling of Congress, will make decidedly conservative recommendations, designed to facilitate the resumption of specie payments; and this feeling is encouraged by intimations, coming from quarters which give them some weight, that the Supreme Court will pronounce the Legal Tender Act unconstitutional. Notwithstanding these conservative tendencies, there has been a steady recovery in Wall street interests from the effects of the November panic, confidence being more settled and prices steadier. As an illustration of the contraction of speculative operations, it may be stated that the total recorded transactions in stocks for the month have been only 447,911 shares, against 2,362,127 shares in the same month of 1868; while the sales of Government bonds at the Exchange have been only \$10,606,500, as against \$23,479,150 in October of last year.

United States bonds have been decidedly weak, prices being, at the close of the month, about 2 per cent below the opening figures; which, taking into account the accumulation of one month's interest, is equal to a decline of fully 2½ per cent. Considerable sales have been made by investors and financial institutions with a view to buying other securities, which, since the late panic, have ruled exceptionally low, while Government's had yielded comparatively little. The price of gold also has steadily declined; and, the quotations for bonds abroad having but partly responded to the reduced premium, a fall in securities here was required to equalize the home and foreign markets.

The purchases of bonds by the Government, during the month aggregated \$10,000,000.

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1899.	1900.	Inc.	Dec.
U. S. bonds.....	\$33,479,150	\$10,604,500	\$	\$12,570,000
State & city bonds.....	11,145,100	4,996,500	.....	5,142,000
Company bonds.....	2,031,400	1,214,000	.....	814,000
Total—October....	\$46,655,650	\$16,815,000	.....	\$18,526,000
Since January 1	195,631,080	\$78,231,000	\$77,712,519	.....

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of October, as represented by the latest sale officially reported, are shown in the following statement :

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	5's, 1881.	5's, 1881.	5's, 1881.	5's, 1881.	5's, 1881.	5's, 1881.	5's, 1881.	5's, 1881.	5's, 1881.
	Coup.	Reg.	1881.	1881.	1881.	new.	'87.	'87.	Cpa.
1.....	119%	119	120	119%	119%	117%	118%	118%	100%
2.....	119	119%	119	119%	119%	117%	117%	117%	100%
3.....	119%	119%	119%	119%	119%	117%	117%	117%	100%
4.....	119%	118%	119%	118%	117	117%	117%	117%	100%
5.....	119%	119%	119%	118%	117	117%	117%	117%	100%
6.....	119%	119%	119%	118%	117	117%	117%	117%	100%
7.....	119%	119%	119%	118%	117%	117%	117%	117%	100%
8.....	120%	119%	120%	119%	120	118%	118%	117%	100%
9.....	119%	119%	120%	119%	120	118	118%	117%	100%
10.....	119%	119%	120%	119%	119	118	118%	117%	100%
11.....	119%	119%	120%	119%	119%	117%	118	118%	100%
12.....	119%	119%	120	119%	119%	117%	118	118%	100%
13.....	119%	119%	120	119%	119%	117%	118	118%	100%
14.....	119%	119%	120%	119%	119%	117%	117%	117%	100%
15.....	119%	120	120%	119%	119%	117%	117%	117%	100%
16.....	119%	119%	120%	119%	119%	117%	117%	117%	100%
17.....	119%	119%	120%	119%	119%	117%	117%	117%	100%
18.....	119%	119%	120%	119%	119%	117%	117%	117%	100%
19.....	119%	119%	120%	119%	119%	117%	117%	117%	100%
20.....	119%	119%	120%	119%	119%	117%	117%	117%	100%
21.....	119%	120	121	119%	120	117%	117%	117%	100%
22.....	119%	120	121	119%	120	117%	117%	117%	100%
23.....	120	119%	120%	119%	119%	117%	117%	117%	100%
24.....	120	119%	120%	119%	119%	117%	117%	117%	100%
25.....	119%	119%	120%	118%	119%	117%	117%	117%	100%
26.....	119%	119%	120%	118%	119%	117%	117%	117%	100%
27.....	119%	119%	120%	118%	119%	117%	117%	117%	100%
28.....	119%	119%	120%	118%	119%	117%	117%	117%	100%
29.....	119	119%	120%	117	118	116%	116%	116%	100%
30.....	119%	119%	120%	117%	118%	116%	116%	116%	100%
First.....	119%	119	120	119%	119%	117%	117%	117%	100%
Highest.....	120%	120	121	119%	120	118%	118%	118%	100%
Lowest.....	119	118%	119%	117	117	116%	116%	116%	100%
Last.....	119%	119%	120%	117%	119%	116%	116%	116%	100%

The stock market has been characterized by a dull cautious movement though with a gradual improvement in prices, and a steady recovery of confidence. The earnings of the roads which report publicly their receipts have

Pacific Mail	88	80%	69%	63%	63%	60%	54%	58%
Boston Water Power	15%	18	18	18	18	14%	13	14
Brunswick City Land .....	.....	.....	.....	.....	9%	9%	9%	9%
Canton	58	16	50	54	58	54	58	58%
Mariposa	8	10%	8	9	9	9%	8	8
do prof.	12%	19	12%	14	16%	18	16	16%
Quick-liver.	16%	15%	18	18	18	15	18	14%
West. Union Telegraph	87%	81%	85	86	86%	87	86	86%
Citizens Gas	150	150	150	150	104	105	104	105
Bankers & Brokers Ass. ....	.....	.....	.....	.....	104	105	104	105
Express—								
American M. Union.	85	88	80	80%	81	86	10	85
Adams	65%	67%	49%	61%	62%	68%	62%	61
United States	63	68	50	50	50%	60	48%	56%
Merchant's Union	11%	11%	11	11	.....	.....	.....	.....
Wells, Fargo & Co.	18	19	18	17	18	26%	17	20%

The gold market has presented a remarkable freedom from speculative movements. The wholesome lessons of the panic of September 24th appears to have made a deep impression on the gold operators; so much so, that it has been found impossible thus far, to establish, in connection with the Gold Exchange, any arrangements for clearing the transactions of dealers, those facilities having in the past very materially contributed to the activity of speculation and to irresponsible parties taking large risks. The general tendency of the market has been downward; the decline having been due to the anticipation of the supply coming from the November interest payments, to the sale of \$11,000,000 of gold by the Treasury, and to a growing feeling that the improving condition of the public finances and the abundance of the exportable crops warrant the expectation of a lower premium. The exports of specie for the month have been quite nominal.

COURSE OF GOLD AT NEW YORK.

Foreign exchange has been comparatively steady. Importers have been free buyers of bills, but the supply has been well sustained by the liberal exports of cotton and grain.

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1.....	107% @ 01	522% @ 520	.....	.....	35% @ 36%	70% @ 70%
2.....	108 @ 108%	522% @ 520	.....	.....	35% @ 35%	70% @ 70%
4.....	.....	.....	.....	.....	.....	.....
5.....	10	518% @ 517%	.....	.....	35% @ 35%	70% @ 70%
6.....	10	518% @ 517%	.....	.....	35% @ 35%	70% @ 70%
7.....	10	518% @ 517%	.....	.....	35% @ 35%	70% @ 70%
8.....	10	518% @ 517%	.....	.....	35% @ 35%	70% @ 70%
9.....	10	525% @ 520	.....	.....	35% @ 35%	70% @ 70%
11.....	10	522% @ 520	.....	.....	35% @ 35%	70% @ 70%
12.....	10	522% @ 520	.....	.....	35% @ 35%	70% @ 70%
13.....	10	522% @ 520	.....	.....	35% @ 35%	70% @ 70%
14.....	10	518% @ 517%	.....	.....	35% @ 35%	70% @ 70%

14.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
15.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
16.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
17.	11	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
18.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
19.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
20.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
21.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
22.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
23.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
24.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
25.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
26.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
27.	1	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
28.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
29.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
30.	10	%	810 1/2 @ 517 1/2	40 1/2 @ 40 1/2	6	70 1/2 @ 70 1/2
Oct.	1000.107 1/2 @ 100 1/2	57 1/2 @ 51 1/2	40 1/2 @ 40 1/2	7 1/2 @ 7 1/2	80 1/2 @ 80 1/2	10 1/2 @ 10 1/2
Oct. 1000	100 1/2 @ 110 1/2	800 @ 3 1/2	40 1/2 @ 41 1/2	7 1/2 @ 7 1/2	80 1/2 @ 80 1/2	11 1/2 @ 11 1/2

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.						
Date.	Loans.	Specie.	Cl. of 100.	Deposits.	L. Tenders.	
February 6.	\$64,541,739	\$7,000,404	\$4,908,428	170,000,000	\$8,494,130	
February 13.	\$64,500,467	\$7,354,281	\$4,968,451	170,977,000	\$8,004,750	
February 20.	\$64,447,000	\$8,111,01	\$4,947,007	167,614,640	\$8,007,107	
February 27.	\$61,971,007	\$8,032,000	\$4,907,901	166,016,178	\$8,003,054	
March 6.	\$64,000,000	10,400,000	\$4,971,000	164,001,407	\$8,100,000	
March 13.	\$61,000,000	17,350,671	\$4,000,643	160,000,450	\$8,000,000	
March 20.	\$64,000,000	10,411,000	\$4,101,310	161,001,000	\$8,101,000	
March 27.	\$64,000,000	10,000,000	\$4,777,000	161,111,000	\$8,333,000	
April 3.	\$61,000,000	10,711,000	\$1,000,000	170,000,000	\$8,400,000	
April 10.	\$77,140,007	8,721,000	\$1,001,000	171,400,000	\$8,500,000	
April 17.	\$53,104,000	7,011,770	\$1,000,000	170,001,000	\$8,000,000	
April 24.	\$51,000,000	8,000,000	\$1,000,000	171,000,000	\$8,000,000	
May 1.	\$61,000,000	0,000,000	\$8,000,000	164,000,000	\$8,000,000	
May 8.	\$64,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
May 15.	\$64,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
May 22.	\$70,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
May 29.	\$71,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
June 5.	\$71,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
June 12.	\$71,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
June 19.	\$63,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
June 26.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
July 3.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
July 10.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
July 17.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
July 24.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
July 31.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
August 7.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
August 14.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
August 21.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
August 28.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
September 4.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
September 11.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
September 18.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
September 25.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
October 2.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
October 9.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
October 16.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
October 23.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	
October 30.	\$60,000,000	10,000,000	\$4,000,000	160,000,000	\$8,000,000	

PHILADELPHIA BANK RETURNS.

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
February 1.	\$8,000,000	\$4,000,000	\$4,000,000	\$8,000,000	\$8,000,000
February 8.	\$8,000,000	\$4,000,000	\$4,000,000	\$8,000,000	\$8,000,000
February 15.	\$8,000,000	\$4,000,000	\$4,000,000	\$8,000,000	\$8,000,000
February 22.	\$8,000,000	\$4,000,000	\$4,000,000	\$8,000,000	\$8,000,000
March 1.	\$8,000,000	\$4,000,000	\$4,000,000	\$8,000,000	\$8,000,000
March 8.	\$8,000,000	\$4,000,000	\$4,000,000	\$8,000,000	\$8,000,000
March 15.	\$8,000,000	\$4,000,000	\$4,000,000	\$8,000,000	\$8,000,000
March 22.	\$8,000,000	\$4,000,000	\$4,000,000	\$8,000,000	\$8,000,000
March 29.	\$8,000,000	\$4,000,000	\$4,000,000	\$8,000,000	\$8,000,000
April 5.	\$8,000,000	\$4,000,000	\$4,000,000	\$8,000,000	\$8,000,000
April 12.	\$8,000,000	\$4,000,000	\$4,000,000	\$8,000,000	\$8,000,000
April 19.	\$8,000,000	\$4,000,000	\$4,000,000	\$8,000,000	\$8,000,000

Date.	Loans.	Specie.	L. Tond's.	Deposits.	Circulation.
April 26.....	51,294,322	154,361	18,640,063	37,437,385	10,621,497
May 8.....	51,510,984	201,758	14,320,371	38,971,341	10,617,313
May 10.....	51,938,590	270,525	14,623,808	39,178,803	10,617,304
May 17.....	52,168,598	276,167	14,696,833	40,804,743	10,614,613
May 24.....	52,341,764	174,115	15,087,006	41,632,419	10,618,346
May 31.....	52,410,874	183,367	15,464,947	42,547,319	10,623,542
June 7.....	52,626,257	169,816	15,872,388	42,390,830	10,610,390
June 14.....	53,124,900	152,451	15,178,338	42,005,077	10,621,828
June 21.....	53,810,065	148,795	14,972,123	42,066,901	10,617,844
June 28.....	53,661,174	180,684	14,567,327	41,517,716	10,622,704
July 5.....	53,937,591	878,631	14,031,449	41,321,537	10,613,688
July 12.....	53,140,735	495,293	13,415,498	40,140,497	10,619,273
July 19.....	53,128,595	466,731	13,944,886	39,634,363	10,618,700
July 26.....	52,463,100	390,377	13,076,180	38,160,644	10,649,773
August 2.....	51,953,848	384,669	12,618,911	39,717,196	10,610,323
August 9.....	52,022,930	338,316	12,580,061	39,506,423	10,608,261
August 16.....	51,932,991	266,089	12,047,635	39,141,196	10,610,961
August 23.....	52,809,626	244,236	12,977,027	39,010,663	10,603,323
August 30.....	52,032,651	245,511	12,012,213	38,832,414	10,608,026
September 6.....	51,981,872	247,258	12,072,705	39,212,588	10,611,676
September 13.....	51,597,258	149,189	12,901,074	38,945,918	10,612,041
September 20.....	51,703,373	174,655	12,848,598	39,169,336	10,610,053
September 27.....	52,130,403	139,058	12,413,859	39,345,378	10,608,153
October 4.....	52,103,070	177,303	12,335,858	38,456,324	10,599,971
October 11.....	51,597,944	215,111	12,820,357	37,102,575	10,607,345
October 18.....	51,637,361	234,568	12,880,187	37,031,089	10,598,330

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

Date.	Loans.	Specie.	Leg.	Deposits.	Circulation.
April 5.....	96,969,714	682,276		33,504,099	24,671,716
April 12.....	99,625,473	780,180		34,392,877	25,236,733
April 19.....	99,115,150	639,480		31,257,071	25,367,814
April 26.....	99,971,711	617,435		31,302,303	25,319,751
May 3.....	100,127,413	708,968		30,733,749	25,330,069
May 10.....	100,555,542	1,287,749		37,457,897	25,221,528
May 17.....	101,474,527	1,131,888		38,708,304	25,408,068
May 24.....	102,042,182	934,500		39,347,891	25,290,393
May 31.....	102,578,378	772,397		38,403,624	25,173,323
June 7.....	103,648,849	640,523		38,491,446	25,292,167
June 14.....	104,952,545	601,744		37,402,719	25,247,607
June 21.....	103,891,668	959,796		38,243,945	25,213,661
June 28.....	102,575,895	1,105,662		34,371,417	25,304,858
July 5.....	102,693,948	814,076		31,561,745	25,235,702
July 12.....	101,403,211	2,255,151		31,520,417	25,375,048
July 19.....	102,702,540	2,034,596		25,211,103	25,251,206
August 2.....	102,804,584	2,265,920		37,392,487	25,614,706
August 9.....	101,811,371	2,154,616		34,117,373	25,279,223
August 16.....	102,368,791	2,127,372		34,231,531	25,344,004
August 23.....	101,053,007	1,971,723		35,229,149	25,300,083
August 30.....	103,904,545	1,715,543		27,041,045	25,282,271
September 6.....	104,457,217	1,284,474		37,362,711	25,227,279
September 13.....	104,478,949	915,691		37,076,497	25,277,730
September 20.....	101,375,531	518,579		35,917,384	25,207,121
September 27.....	105,289,703	652,197		36,840,884	25,321,064
October 4.....	101,946,179	1,691,512		34,891,731	25,283,406
October 11.....	104,651,891	1,151,234		34,446,803	25,282,494
October 18.....	103,682,620	1,690,180	11,729,736	34,877,071	25,212,031

WEBSTER'S SYSTEM OF SPELLING AND DEFINING.

The standard authority in all schools in the United States in spelling and pronunciation is the latest revised edition of Webster's Dictionary. At a very early day in the establishment of our common schools Webster's Spellers became the almost universal first lesson book of the young mind, and this still holds its place in the schools of the country, thus inevitably paving the way for the continuation of the system of spelling and defining as given by Webster's series of Dictionaries, and we are therefore not astonished to be told that the sale of these is nearly ten times as great as that of all other dictionaries combined. In order to render the unabridged edition of this work a trustworthy companion of the scholar and student the Messrs. Merriam, the publishers, have spared no expense in procuring the services of the most able linguists and philologists of the present time to completely revise the edition now offered to the public. It contains some two millions more ems of printed matter than any other dictionary published in this country, and we believe it the most complete work of reference ever produced.

THE
MERCHANTS' MAGAZINE

AND
COMMERCIAL REVIEW!

DECEMBER, 1869.

THE SUEZ CANAL.

The passage of the grand naval procession from the Mediterranean to the Red Sea, which sailed from Port Said on the 10th of November, and reached Suez on the 21st, ended the imposing ceremonies that celebrated the formal opening of the Suez Canal to the commerce of the world. The completion of this great work, accomplished in the comparatively short period of ten years, is another of the many important events characterizing the high and progressive civilization of the present century. Although it is probable that the difficulties overcome in the construction of the canal, as well as its value when finished as a direct channel for the great and increasing trade between Europe and the East, have been exaggerated in the one instance and overestimated in the other; it cannot be denied that, to the enterprise of M. de Lesseps and the French capitalists who contributed the greater part of the \$55,000,000 expended, the civilized world is indebted for one of the grandest achievements of modern engineering science. It will be

remembered that, during the progress of the work, the general tone of the European and American press was one of incredulity as to the success of the enterprise. Among the many objections advanced, it was confidently asserted that, even if it were possible to cut a canal across the Isthmus, the shifting sand of the desert would fill it up more rapidly than the dredging machines could clear the channel. No sooner was the canal actually finished, however, than the former disbelievers rushed to the opposite extreme of unlimited credulity. Not only did they accept the fact of its successful completion, but they at once decided that the commerce of the East, which had formerly followed the less direct routes by way of one or the other of the Southern Continental Capes, must henceforth flow exclusively through the new channel opened for it by way of the Isthmus of Suez. It is evident that this estimate of the results which are to follow the opening of the canal is extravagant, even though the sanguine predictions of M. de Lesseps and his friends may not wholly fail of ultimate realization.

The isthmus of Suez is, as our readers are aware, seventy-five miles broad, and separates the Red and Mediterranean Seas, barring the road to the goal of Columbus, and, in consequence, opening in past centuries a New World and a new passage to the enterprise of the Old. It is almost level with the adjoining seas, having a general depression to the Mediterranean. Its average elevation is from five to eight feet above the sea level, although, in the case of two hillocks, it rises to heights of thirty and forty feet. Indeed, it is more than probable that the seas once flowed across this bar. At the present day there are several salt lakes and swamps which have been used in the construction of the canal. The land of the isthmus is natural sterile, and wanting in fresh water. It has long been an object to the rulers of the adjacent territory to cut a canal from the Mediterranean to the Red Sea. It has been frequently attempted, and more than once with success. Some historians attribute the earliest attempt to Sesostris. The ancient Egyptian canal did not pass in a line across the isthmus as in the present case. The waters of the Nile were divided into two branches, one flowing northward to Lake Timsah, and the other southward, through the Bitter Lakes, to the Red Sea, near Suez. They sailed on the Nile so far as it was navigable, and when it ceased to be so they cut a canal, filling it with water from the river, which debouched into the Red Sea, near the present Suez. This line thus had four sections, $92\frac{1}{2}$ miles in length— $13\frac{1}{2}$ miles from Suez to the Bitter Lakes, 27 miles through these lakes, 40 from the lakes to El Ouady (of Tomat), and 12 miles from El Ouady to Bubastis, then one of the principal branches of the Nile. The vestiges of the old canal show a breadth of from 100 to 200 feet.

THE EARLY HISTORY OF THE SUEZ CANAL.

The pamphlet of M. de Lesseps, recently published in Paris, and entitled *Egypte et Turquie*, contains valuable information in reference to the historical antecedents of the Suez Canal. In discussing this point we shall principally rely on his authorities. It is known that, in the most ancient times, in default of a canal directly connecting the Red Sea and the Mediterranean, of which the imperfect state of engineering science in those days prevented the execution, there existed a vast canal which united the Red Sea with the Nile. This canal, undertaken, in the first place, by Nechos, the son of Psameticus, 630, B. C., or perhaps by his predecessors, was finished by Darius, the son of Hystaspe. Half a century after Darius, Herodotus stated that this canal was four days' journey in length, and of a width sufficient to admit the passage of two triremes abreast. It commenced at Bubaste on the Nile, following at first an easterly direction, then diverging to the south, and finally entering the Red Sea at Patymos. The Ptolemy's kept the canal in constant repair, and added considerable improvements to the great work. Strabo, who travelled in Egypt fifty years before the Christian era, beheld this canal covered with ships. The Roman Emperors, Trajan and Adrian especially, greatly enlarged and extended the canal. When the Musselmans effected the conquest of Egypt, the canal had been abandoned, but the Caliphs, comprehending how necessary it was to renew the work, in the interest of the holy cities Mecca and Medina, soon caused the reconstruction of the canal, and it was subsequently styled "Canal of the Prince of the Faithful."

The Arab historians in detailing the work of reconstruction, give a curious mythical account of the inception of the work. The following is an extract from the Arabic chronicle of El Makrizy: "This canal was hollowed out by an ancient king of Egypt for Agar, the mother of Ishmael while she dwelt in Mecca. In the continuation of days it was hollowed a second time by one of the Greek kings who reigned in Egypt after the death of Alexander. When the Most High bestowed Islamism upon mankind, and Amrou-ben-el-A'ss made the conquest of Egypt, this General, following the instructions of Omar-ben-el-Khatbathab, provided for the reconstruction of the canal in the year of the pestilence. He conducted it to the Sea of Kolzoum, from whence vessels sailed to Hedjaz, Yemen and India. In the year when Mohammed-ben Hagan revolted in the City of the Prophet (Medina) against Abou-Djafar, then Caliph of Irak, the latter sent orders to his lieutenant in Egypt directing him to fill up the canal that it might not be used for the transportation of provisions to the insurgents in Medina. His order was accordingly carried

out; and communication stopped with the Sea of Kolzoum. In this condition the canal has remained to this day."

In reference to the reconstruction of the canal by Amrou-ben-el-A's the following account is given by the Arab geographer Alfergan: "The river Trajan, which passes from Egypt to Babylon, as was stated by Ptolemy, is the same that subsequently named the "Canal of the Commander of the Faithful," and which flows by Cairo. For Omar, as is stated in the history of the Egyptian war, ordered that the canal should be reopened to effect the transportation of food to Medina and Mecca, which were then desolated by famine. The Caliph's letter to Amrou was as follows: 'To the rebel son of a rebel—Whilst thou and thy companions are fattening yourselves, you care nothing that I and mine are daily getting leaner. At once give succour to us.' Amrou replied: 'I am thine. I will send thee a train of beasts of which the first shall be with thee ere the last has set out. *Besides I hope to find another mode of transportation by sea.*' But immediately Amrou repented that he had given this hint; because somebody made the observation to him that it would be possible to devastate Egypt and speedily transfer the spoils to Medina. Accordingly he wrote directly afterwards to the Caliph, to state that he had reflected upon *the transportation by sea*, and had found insurmountable difficulties in the way of the work. Omar replied; "I have received the letter in which thou seekest to elude the execution of the project conceived in the preceding. I swear by the Almighty either that thou shalt execute it, or that I will drive thee out by the ears, and send one in thy place who will accomplish it." Amrou saw at once that he had blundered, so he began work directly upon the canal. Omar enjoined him not to neglect sending comestibles, clothing, lentils, onions, and cattle—in a word, all that Egypt produced. Eikendi states that the canal was hollowed out in the year 23 of the Hegira, which corresponds with the year 643 of the Christian era. It was finished in six months, so that vessels could pass through it and proceed to Hedjaz."

In M. de Tott's *Memories sur les Turcs* occurs the following: "The late Sultan Mustapha felt uncommon interest in the project for connecting the two seas by means of a canal across the Isthmus of Suez. In addition to the information that I had upon the subject, he wished to know all that had been ascertained by the different commissions that had been in Egypt. If Mustapha had lived long enough to undertake this work he would have found upon the spot facilities enabling him to carry out the greatest revolution of which the political situation was susceptible. This Sultan, whose mind was becoming much enlightened, caused me to undertake a work explanatory of this important object, which he proposed to execute as soon as peace was established. Of all the different public

works which have made Egypt illustrious, the canal of communication between the Red Sea and the Mediterranean would merit the first place in point of rank, if, indeed, the efforts of genius on behalf of public utility were duly seconded by the generations destined to enjoy them; and if the foundations of social weal could acquire the same solidity as the prejudices which tend to destroy it. There lies the abridgement of all history; it affords constantly the same tableau; it is that of all nations, of all ages. Without these continual destructions, the happiest position would have dictated immutable laws; and the Canal of the Red Sea had been constantly the basis of the public right of nations."

Napoleon appeared upon the soil which had been trod by Sesostris, Alexander and Cæsar. Hardly had he arrived in Egypt when he hastened to Suez to determine whether he could recommence the work of the Pharaohs—the work continued by the Greeks and the Romans. On the 24th of December, 1798, he reached Cairo, and, on the 30th, accompanied by his illustrious comrades, Berthier, Caffarelli, Ganthéaume, Monge, Berthollet, and Costaz, he rediscovered the vestiges of the ancient canal. Napoleon tracked them upwards of five leagues; then, after visiting the fountains of Moses, he returned to Cairo by the Wady-Toumilat, and inspected near Baalbec, on January 8, 1799, the other extremity of the canal of the Pharaohs. He ordered a clever engineer, M. Lepere, to prepare a memoir upon communication between the Mediterranean and the Red Sea. The canal which M. Lepere proposed was no other than the ancient canal; and according to his calculations the work would not cost above twenty-five or thirty millions of francs. The commencement of the canal was, as formerly, to be at Bubaste, on the Nile; its direction was by Wady-Toumilat towards Lake Timsah, thence turning to the South it descended towards Suez. Always the thought predominated that it must be a canal destined solely to unite the Nile with the Red Sea. Yet, by the side of this principal thought were seen traces of another—the true one—which, however, remained *infecunde*. After an examination of the localities, the clever engineer could not hinder himself from perceiving the facilities which nature afforded for the construction of a canal which would place Suez and Peluze in direct communication. That would indeed have been the canal dividing the isthmus, and which alone would open the grand maritime route reclaimed by commerce and civilization. But two considerations prevented Napoleon from welcoming the idea. He believed, in the absence of profound political and strategical studies which had not yet been made, that it would be impossible to maintain the ports in the extremity of the line of navigation. The recent labors of the International Scientific Commission have peremptorily demonstrated that, thanks to the perfect apparatus now at the disposal of

the engineer, the difficulties of which were formerly dreaded exist no longer. Upon this point, however, it is well to quote M. Lepere's own words. His opinion in regard to the direct cutting of the isthmus is expressed as follows:—"In this project of the Suez Canal we have expressly recommended the choice of the ancient route by the interior of the Delta towards Alexandria, upon commercial considerations particularly referring to Egypt, and because on the side towards Peluze it does not appear feasible to maintain a permanent maritime establishment. Nevertheless, abstracting these considerations, it would be easy to open a direct communication between Suez, the Bitter Lake, the Ras-el-Moyeh, prolonged upon the eastern border of Lake Menzalieh to the sea towards Peluze. We think that a canal opened in this direction would present advantages which the interior canal does not afford. The navigation would be constantly open, and not subject to the alternate rising and falling of the Nile. In such a canal, too, it would be easy to attain a much greater depth. I would add that, if I did not see several difficulties in regard to digging out and keeping clear the channel to a sufficient depth between Suez and the roadstead [the force of steam machinery was not then understood], I should propose a direct communication, for the use of large ships, between the two seas through the isthmus." Napoleon, on his return to France, received from M. Lepere, in presence of the members of the Institute of Egypt, the *Memoir on the Canal of the Two Seas*, from which the above extracts are taken. And the Emperor then pronounced the following prophetic words: "It is a big thing. However, I am not able to accomplish it. But the Turkish government will one day find its conservation and its glory in the execution of this project." So far about the predecessors of M. de Lesseps as told by himself. Let us see now what he has done as it is told by others.

From the days of Napoleon to the present the project which he so much favored has not been lost sight of. Its present success—whatever time will prove that to be—is mainly due to Vicomte Ferdinand de Lesseps, the eminent French engineer. M. de Lesseps was born at Versailles in 1805, and at the age of 23 was employed in the consular service of France at Lisbon. His father was for a long time attached to the French consulate at Alexandria. Here de Lesseps *per se* attained great influence over Mehemet Ali and the Turkish authorities; indeed, the recognition of Mehemet Ali as Viceroy of Egypt is often attributed to the personal interference of M. de Lesseps with the Sultan. The intimacy of the fathers lead also to an intimacy between the sons. Young de Lesseps, after his promotion from Lisbon, held various consular positions in the East, and was afterwards transferred to Barcelona, where, during a political disturbance, he displayed great energy, tact, and ability. In 1854

he visited Mehemet Said, who had succeeded to the viceroyalty. At this time he broached formally his idea of the Suez Ship Canal. At the request of Said Pacha he drew up a memoir, entitled "Percement de l'Isthme de Suez Expose, et Documents Officiel." M. de Lesseps, in consequence, received in 1854 a firman sanctioning the enterprise, and a letter of concession in 1859. The Viceroy offered very liberal terms, taking a large share in the company, making valuable concessions of land, and permitting the employment of the native workmen.

M. de Lesseps proposed to dig a canal 90 miles long, 330 feet wide at water line, sloping at the sides to the bottom, which was to be 20 feet below the low water level of the Mediterranean. There were to be at each end sluice locks 330 feet long by 70 feet wide. By using the tides, it was hoped that an additional depth of three to four feet might be gained. As no ship could enter it from the sea, unless the mouths were protected from the sands and shoals, the greatest difficulty of the work was anticipated in the artificial harbors necessary at each end. At Suez, the piers had to be brought out three miles through shifting sands; the stone, however, could be found near at hand. The harbor on the Mediterranean side, near Tyneh, or Pelusium, was more costly and difficult. The Nile annually pours into the Mediterranean 13,000,000 cubic yards of sand and mud, which are borne by a strong ocean current to the neighborhood of Tyneh, making that coast shallower and more dangerous each year. In M. Lepere's report, the opinion was expressed that the Red Sea was thirty feet higher than the Mediterranean, but the surveys of M. Boardaloue in 1866 from Suez to Tyneh, and from Tyneh to Suez demonstrated that hardly any difference of level existed. Nevertheless, men like George Stephenson, who should have known that with time, money, and labor no engineering work is impossible, threw cold water on the scheme. Indeed the English capitalists and diplomats endeavored by every agency to hinder the work, as they saw in it a political movement. M. de Lesseps's company was organized in 1854. In 1855 the Viceroy had a new survey made.

THE INTERNATIONAL CONGRESS.

In that year, the representatives of France, England, Prussia, Austria, and Holland assembled in Paris to discuss the question in its international relations. After hearing the explanations and reports of M. de Lesseps, it was determined to send five of their number to Suez to examine the work. Their report went to show the entire feasibility of the scheme. This report made in November and December, 1855, was published in June, 1856. The work of organizing the company proceeded until 1858, when *La Compagnie de Grand Canal Maritime de Suez* became a fact.

It raised a capital of 200,000,000 of francs, about \$38,000,000 of our money, or £7,760,000 sterling. Subsequently, two other loans of 400,000,000 of francs in the aggregate were raised.

The following are substantially the terms of the Egyptian concession: The Egyptian government to have the right of selecting the managing director from the largest stockholders, if possible; the concession to last ninety-nine years from the opening of navigation; the works to be at the expense of the company; the Egyptian government conceding public lands to defray the expenses, and undertaking, if desirable, to build fortifications at its own expense; the government to receive annually 15 per cent of the earnings, without reference to dividend or interest to be derived from their shares; the remainder of the profits are to be divided, 75 per cent for the general shareholders, and 10 per cent for the original founders; the tariff (to be regulated by the Egyptian government and the company) to be the same for all nations. Should the company deem it advisable to join the Nile and the maritime canal by a navigable channel, the land now uncultivated may be irrigated and cultivated at their own expense and charge, the company to have these lands free of any charge for ten years, dating from the opening of the canal; during the remaining eighty-nine years they will pay one-tenth of the usual land tax; after which, the whole of the usual tax on irrigated land in Egypt; a plan of all the lands conceded is to be made; the company is to have the right of quarrying stone on government lands, and of importing tools and machinery and supplies for the workmen, free of duty; at the termination of the concession the Egyptian government is to be substituted in lieu for the company.

In January, 1856, it was provided that "four-fifths at least of the workmen should, in all cases, be Egyptians." These native workmen, or *fellahs*, numbered 20,000. Their wages were one-third less than that of the European laborers, but still a third more than what was usually paid to the *fellahs* in their own country. It was also agreed that they should be provided with habitations, food, and medical assistance, and that while in hospital they should receive half their usual salary.

On the death of Said Pacha, the Sultan visited Egypt, and personally examined the works. On his return to Constantinople he published an order forbidding the forced employment of the *fellahs* in the work, as fever and exhaustion had decimated them, and further disagreeing to the land concessions made by Said Pacha. M. de Lesseps protested against this interference, whereupon Ismail Pacha, the present Khedive, sent to Paris Nubar Pacha to lay the matter before the Direction. They refused to agree to his demands. Nubar Pacha then referred the matter to the eminent French jurists, Odillon Barrot, Jules Favre, and Dufaure.

These recommended the company to abandon their extraordinary demands, and to be satisfied with the terms offered by the Sublime Porte.

The works were delayed in their progress in consequence of this dispute, although large numbers of the fellahs engaged voluntarily in the work, attracted by the good wages and comfortable quarters of the workmen. The dispute having been referred to the Emperor of the French, he decided as follows: 1. That the concessions of November, 1854, and January, 1856, had the form of contracts mutually binding on each party. 2. That as by the withdrawal of the fellah labor the cost of the work would be increased, the Viceroy should pay an indemnity of £1,200,000 sterling on that account. 3. That the company should cede to the Viceroy their fresh water canals, reserving only the right; that the Viceroy should pay £400,000, representing the cost of construction of the canals and £240,000 for the tolls, which the company thereby relinquished. 4. That the company should only retain such lands along the line of the maritime canal as might be necessary for the care and maintenance of the said canal. 5. That the company should cede to the Viceroy their title to all lands capable of cultivation by means of irrigation from the fresh water canals, and for which the Viceroy should pay £1,200,000. This last grant made the total indemnification, £3,360,000 sterling.

The canal passes through four large natural lakes. The largest of these is called *Lac Amer*, or the Bitter Lake, and is situated some ten miles from Suez. The other lakes are Lake Timsah, Lake Ballah, and Lake Menzalleh. Lake Timsah is the smallest of these, and has been drying up for a long time. These lakes are but ten or fifteen miles distant from each other. The work of the company consisted in deepening the channel through these lakes, cutting a passage through the intervening sections, and building the harbors at Port Said and Suez. The land was principally sandy, with occasional strata of calcareous blue slate. The difference of level, even at the highest calculation is only four inches in the mile, so that the current will not be great. Whatever current there will be, will be broken by the lakes. The rate at which the work on the canal was performed was remarkable. The average monthly work was 1,200,000 cubic metres. The divisions of the Canal are four in number, that of Port Said or Lake Menzalleh, El Guisr (pronounced El Gearsh) Ismailia and Suez. Ismailia, at the junction of the freshwater canal and the maritime canal, divides the entire work into nearly two equal parts, which are subdivided into four parts, each having a resident engineer and corps of assistants.

Port Said is the Mediterranean entrance of the canal. It is 124 miles north of Alexandria and 30 miles north of Damietta. It is a mushroom city, such as we have had on the path of our Pacific railroad. It owes its

origin to the canal, and its name to the first patron of the work, Said Pacha. It is now a large city, and promises to rival in importance and trade both Marseilles and Alexandria. The harbor of Port Said is artificial, and, as has been intimated, is of massive proportions to resist the terrible influx of sand and mud from the Nile. There are two jetties, the eastern and the western. The length of the western jetty is 2,200 metres, or nearly $1\frac{1}{2}$ miles; and of the eastern, 950 metres. The width of the mouth will be 400 metres (1,300 feet) and the area of the harbor will be 51 hectares. These immense sea walls are constructed from artificial stone, made on the spot. Two hundred and sixty-three thousand eight hundred and thirty-six centimetres of this artificial stone have been sunk or used in the construction of this breakwater.

DIVISION OF LAKE MENZALLEH.

The work on this extending from Port Said to kilometre 23, a distance of 14 miles, has been very important, it passes through a large lake very much subject to the action of the wind and sea, from which it is separated but by a narrow strip of land. The amount of matter excavated here would be represented by 11,141,622 cubic metres. The division of El Guisr is the longest division of the canal, extending over thirty-five miles. As far as Kantara it is very straight, but after that locality is passed the work is heavy especially at El Guisr. The cuttings in this neighborhood are the deepest. Kantara is the principal town of this division. It is twenty-eight miles from Port Said. Lake Ballah is eight miles south of Kantara. In this neighborhood is the village of El Guisr, which is the highest elevation on the peninsula. The work here was very severe. Ismailia, or Lake Timsah, is so called after the Khedive Ismail Pacha. It owes its origin to the canal. The original canal from the Damietta branch of the Nile extended to the town of Zagazig, fifty miles west of Ismailia. One of the first acts of the present company was to bring it within a few miles of the site of Ismailia. The division of Ismailia is the third. It extends through Lake Timsah and the Bitter Lakes to Kilometre one hundred and fifteen. Thence to Suez is the fourth division. Suez was an unimportant town heretofore, but it has been galvanized into vigorous life by the operations of the canal company. On August 15, 1865, the fete day of Napoleon, the first vessel passed through from sea to sea. It was a coal barge, which made the passage a portion of the way by the fresh water canal. In January, 1867, as our special telegrams at that period announced, large steamers passed through by means of the same auxiliary canal. The completion of the maritime canal is of recent date.

BALANCE SHEET.

The following is the general balance sheet of the Suez Canal Company, exhibiting the whole indebtedness incurred in the construction of the work, and the funds which have accrued from various sources; dated June 30, 1869 :

Dr.	Francs.
Expenses of organization from 1854 to 1859.....	2,991,435.27
Construction of general offices.....	920,910.42
Furniture and material of offices in Alexandria and the administration in Paris.....	141,246.34
Interest on shares 1859-'69.....	64,051,893.30
Interest on bonds 1868-'69.....	7,822,493.75
Extinction of obligations 1868-9.....	1,700,000.00
Expenses incurred in contracting loan of one hundred million of francs.....	1,426,745.40
General expenses of the administration of the affairs of the company, commission to agents, and negotiations in France and Egypt, from January 1, 1859, to date.....	16,941,241.73
Expenses of health department, 1868-9.....	67,056.16
Expenses of telegraphs, 1868-9.....	145,087.40
Expenses of domain, 1869.....	17,503.95
Expenses of transportation 1866-9, including floating and rolling stock, buildings, sheds, and also victualling.....	8,101,631.23
General expenses of construction advances to contractors on material and victualling.....	17,213,943.88
Other stores, buildings, &c.....	33,341,980.82
Works in the construction of the canals and ports.....	217,071,610.72
Various running accounts with contractors.....	6,962,499.46
Running accounts of various services—	
Superior agency in Egypt.....	14,117,553.88
General direction of works.....	1,972,250.69
Transit service.....	2,054,487.15
Telegraph service.....	42.76
Health department.....	59,833.73
Capital account—	
Egyptian government on account of grants.....	80,000,000.00
Balance to be recovered on bonds, for calls fallen due.....	91,325.00
Various debtors.....	229,131.85
Cash box and portfolio of the superior agency in Egypt.....	4,024,000.00
Cash.....	88,291.08
Bank of France.....	119,788.71
Agricultural credit.....	15,095.25
Commercial and industrial credit.....	4,250,000.00
Société générale.....	5,630.28
Société des dépôts et comptes courants.....	83,724.45
Securities.....	521,783.93
Property (various).....	7,899,464.52
Total.....	451,658,661.16

Cr.	Francs.
Capital (500 fr. on the 400,000 shares subscribed).....	200,000,000.00
Indemnity fixed by arbitration of the Emperor.....	84,000,000.00
Loan of 100,000,000 (00 fr. on the 33,333 bonds subscribed).....	99,999,900.00
Value of grants settled by the convention of 28d August, 1869, between the Egyptian government and the company, 80,000,000; from which, deducting value of property previously purchased, there remains.....	29,744,520.80
Received from various sources.....	
Receipts anterior to formation of the company.....	6,704.58
Products of temporary investments, 1859-1868.....	18,440,483.64
Products of temporary investments, 1869.....	502,637.46
From various sources.....	159,837.25
Accrued proceeds.....	7,617,715.50
Receipts connected with the works.....	401.70
Receipts—Transportation department, 1866-69.....	3,421,919.95
Receipts—Sanitary department, 1868.....	84,371.21
Receipts—Postal and telegraph department, 1868-69.....	65,635.37
Receipts from domain.....	573,625.72
Current account of domain.....	168,770.94
Creditors (various).....	6,471,810.08
Total.....	\$451,658,661.10

ENGLISH INTERESTS IN THE SUEZ CANAL.

While Lord Stratford de Redcliffe was ambassador at Constantinople, M. de Lesseps addressed to him a letter in reference to English interests in the piercing of the Isthmus of Suez by means of a canal. The following is a translation of this interesting document :

"There are questions (says M. de Lesseps) which require to be frankly approached in order that they may be fairly resolved—as wounds or maladies have to be discovered before they can be cured. The kindness with which you have received my first observations in regard to a subject, the gravity of which cannot be disguised, encourages me to submit to you the question of the Suez Canal, from a point of view in which, I think, the matter may be very usefully discussed. The influence which your high character and long experience naturally give you in the decisions of your government relative to all Oriental questions, makes me anxious to neglect nothing that might aid you in forming an opinion with full knowledge of the facts.

The results already attained through the intimate alliance of France and England, sufficiently prove how advantageous is this union of the two nations in the interests of the equilibrium of Europe and of civilization. The future happiness of all the nations of the world is involved in this state of things, which, to the everlasting honor of the governments that have thus far maintained it, can alone guarantee to mankind the benefits of peace and progress. Hence the necessity of removing in advance every cause of rupture, and even of coolness, between the two nations; hence the imperious duty of examining among possible contingencies what circumstances are of a nature to awaken antagonistic feelings and provoke among either people those emotions against which the wisdom of governments is powerless to strive. The motives of a hostile rivalry tend successively to give place to that generous emulation which produces grand achievements.

In considering the situation in a general way, however, one fails to perceive on what ground or what occasion those struggles which deluged the world with blood could begin again. Can financial or commercial interests divide the two nations? But the capital of Great Britain thrown into so many French enterprises, and the immense development which international commerce has made, establish bonds between them which become closer every day. Are political interests or the questions of principle likely to awaken strife? But the two nations have now but one single object, one single ambition—the triumph of right over might, of civilization over barbarism. Finally, will paltry jealousies in regard to territorial extension divide them? But to-day they understand that the

globe is vast enough to present to their respective populations domains to be reclaimed, and human creatures to be reclaimed from barbarism ; and that whenever their flags were together the conquests of the one enhance the profits of the other.

At the first glance, therefore, it is difficult to detect anything in the general situation that could alter our beneficial relations with England.

Nevertheless, upon a more careful scrutiny, an eventuality presents itself, which, by making the two most enlightened and moderate Cabinets of Europe partake of popular prejudices and passions, is capable of reviving old antipathies, and compromising, with the alliance, all the old bonds of amity which united the peoples. There is, in fact, a certain point upon the globe the freedom and neutrality of which is intimately connected with the political and commercial power of Great Britain—a point which, in times gone by, France, on her part, has desired to become possessed of. That point is Egypt, the direct path from Egypt to the Indies—Egypt, sprinkled so many times with the blood of Frenchmen.

It would be superfluous to review the motives which would actuate England in preventing Egypt from falling into the hands of a rival nation. But we must also carefully note that, with interests less positive, France—under the empire of her glorious traditions, under the impulse of other sentiments, instructive rather than critical, and for that reason all-powerful in the minds of her sensitive people—would never leave England in the peaceable possession of Egypt. It is, therefore, clear that so long as the route to the Indies is open and secure, and that the condition of the country guarantees facility and promptitude of communication, England will never attempt to create grave difficulties by appropriating a territory which has really no other value to her's than as a place of transit. It is equally evident that France, whose policy for the last fifty years has consisted in contributing to the prosperity of Egypt as much by her counsels as by the co-operation of a large number of distinguished Frenchman in Egyptian affairs, in science, in administration, and in all the arts of peace or war, will never attempt to realize the project of an epoch now passed away, so long as England keeps her foot from the country.

But supposing that one of those crises which so frequently disturb the East should happen, or that England should think herself obliged by circumstances to take possession of Egypt in order to prevent another from seizing it, let us inquire whether it is possible that the alliance would resist the complication which such an event would produce ? What reasons would England have for believing herself forced to become mistress of Egypt at the risk of breaking her friendly relations with France ? Solely on this account : That Egypt is the shortest and most direct route from England to her Oriental possessions ; that this road must

be constantly open; and that she can make no terms with anything that touches this transcendent interest. Therefore, by her natural position, Egypt may be the cause of a conflict between France and Great Britain; and yet the chances of rupture would disappear if, by a providential event, the geographical conditions of the old world were changed, and the route to India, instead of traversing the heart of Egypt, was carried back to the boundaries, and, being open to all the world, was no more in danger of becoming the privileged possession of any.

Well, this event, which must be in the designs of Providence, is to-day within the reach of mankind. It can be accomplished by human industry; it can be realized by piercing the Isthmus of Suez. That is one to which nature offers no obstacles; it is one which would attract the free capital of England as well as other countries.

Let the Isthmus be cut across; let the waves of the Mediterranean mingle with those of the Indian Ocean; let railroads be directed thither—and Egypt, becoming immensely valuable as a productive country, as having good internal commerce, as warehouse and place of transit, would lose its perilous importance as a line of communication always uncertain and frequently contested. The possession of Egyptian territory being no longer a matter of interest to England, the country would cease to be the object of a possible struggle between that power and France. The union of the two people would be henceforth unalterable, and the world be preserved from the calamities which would follow their rupture. This result affords such guarantees for the future that it is sufficient to indicate it to attract to the enterprise destined to accomplish it the sympathy and encouragement of statesmen whose efforts have the sole aim of placing the Anglo French alliance upon indestructible bases. You are one of these men, my lord, and you have so great a part in the debates of *la haute politique*, that I am extremely anxious to make you acquainted with my aims."

M. de Lesseps has published an interesting pamphlet discussing the various international advantages of the Suez Canal, from which we summarize some important matter. In touching upon this important question, so far as it regards Turkey, he adopts an ingenious device, which would have the effect of specially commending the subject to the attention of all good Moslems, whether Turkish, Egyptian, or Hindoo. He prefaces his chapter on the Turkish interest in the undertaking with three verses from the 31st chapter of the Koran, which bears the title, "Against the Spirit of Immovableness." These verses read as follows: "Do you not see that God has subjected to your use all that is upon the earth? He has poured out upon you his benefits, both evident and hidden. But men say: We will follow rather that which we found among our fathers. But what if

Satan should invite them to the torment of fire! Do you not behold the ship wafted upon the sea, bearing the gifts of God, to make you perceive his teachings? There is in this many signs for the steadfast man to be grateful."

M. de Lesseps declares that interests of the highest order bind Turkey to the success of the enterprise. And those interests he classifies under politics, religion, and commerce.

THE POLITICAL INTEREST

is clearly defined, since the enterprise adds to the stability of the empire, in giving it a new maritime passage, of which Europe will be as much interested in maintaining the independence as it has been in preserving the neutrality of the ancient route of the Dardanelles. The integrity of the Ottoman Empire (inscribed in treaties which actually have often had no other force than accord founded on the interests of the contracting parties) acquires a consecration much more complete in the necessities of the case, in the indispensable conditions of the equilibrium of the world. The powers of Europe have had *one* motive for defending this integrity; henceforth they will have *two*. The Sultan becomes the guardian of two political positions of the greatest importance—the passage from the Black Sea to the Mediterranean, and the passage from the Mediterranean to the Asiatic and Austral oceans. In the same hand these two passages lend each other a natural strength, a mutual guarantee. Under the same sceptre, they sanction and consolidate the neutrality of the empire, which this double position will at length incorporate in the equilibrium of Europe. As the European powers can never consent to see the Suez Canal possessed or dominated by one of themselves, Egypt can never in any case be a gift or compensation; and thus vanish the dream of certain statesmen, who, desirous of obtaining a portion of the spoils, fancy that they can still render acceptable to Europe the partition of the Ottoman Empire. The policy of exclusive conquests appears to have had its day. But, supposing that the world must fall again into the old ruts, what dangers would the Ottoman Empire have to foresee and provide against? On one side it must defend Constantinople—on the other to watch Egypt. These are the two weights upon the balances—for it cannot be forgotten that since the commencement of the present century, on two memorable occasions, the partition of the Ottoman Empire has been seriously proposed by placing Egypt and Constantinople in the two scales as the condition of the sale. Well, recent events have proved that Turkey would not be left to stand alone in resisting attacks upon the Constantinople side.

As for the West, we know England and France could never agree to the possession of Egypt by one of themselves. But what difference in regard to security, if, instead of being a merely natural question between these two powers, the question became European; if, by the possession of a neutral route between the two most opulent oceans on the globe, Egypt, under the suzerainty of the Sultan, rendered Austria jointly responsible for her position by the prosperity of the Adriatic and the developments of maritime trade; Italy and France by their Mediterranean ports; England by her communications with India and Australia; Russia by her ports on the Black Sea, and by the maritime communication of the great rivers which debouch near her settlements upon the Amoor; Spain by her colonial possessions and her Mediterranean littoral; Holland by her interests in Sumatra, Java, and Borneo; the United States of America by an abbreviation of nearly 3,000 leagues for their Atlantic ports in navigating towards the Indian Ocean?

Let us add that, through all the interests attaching to the maintenance of the *statu quo*, the Suez Canal is destined to bind Egypt still more closely to the rest of the Ottoman Empire. All antagonism between the vassal and the suzerain will forever disappear, not only on account of the exterior considerations which have been indicated, but also on account of a powerful motive of internal policy. For as the Suez Canal becomes the material demonstration of the principle sometimes misunderstood, that the prosperity and strength of Egypt are elements essential to the vitality of Turkey; the vassal will be so much more assured that partisans for the enfeeblement of Egypt will have lost all influence in the councils of the Sublime Porte. Enlightened men in Turkey, so far from entertaining alarm at the situation, perceive, on the contrary, in the consequences following the opening of the Suez Canal, a pledge of security for the future; for they have always dreaded exposures to dangerous eventualities on the part of some European power; they always preferred to see Egypt governed, in an exceptional manner, by Mussulman princes of Turkish origin, and who were attached to the metropolis by many common ties of policy and religion.

The Viceroy, Mohammed Said, in his communications with the statesmen of Turkey in reference to susceptibilities which it was sought to awaken against him, remarked:

“In the actual situation a governing Prince of Egypt, who had mental reservations, would never permit the execution of a Suez Canal. All the coast from Damietta to the principal ports of Syria, is to-day exempt from all foreign surveillance as well as from European navigation. Nothing would prevent the Viceroy of Egypt under given circumstances to prepare armaments, to concentrate troops without attracting external

attention, and to precipitate his forces into Syria before measures of prevention could be arranged. But with a canal to Suez the position is completely changed."

"Besides, the important Arabian possessions of Turkey, which Egypt is now charged with provisioning in grain, could be easily starved; or, as the leaven of revolt is there always at hand, it could be laid hold of and augmented by Egypt, which, under the present system of communication, would be in a position to dominate. Experience has already proved that the distance and the difficulties of transportation would never permit Turkey to send into Arabia the forces necessary to assure the preponderance of her power. The canal has been spoken of as a barrier between Egypt and Turkey. It is sufficient to know the country to become convinced that physically the separation between Turkey and Egypt is much more complete by the desert than it would be or will be by the canal, around which populations of Syrian and Egyptian cultivators will assuredly congregate."

This language is not less remarkable for its loyalty than for its striking truth.

Let us now show that in this question political interests are strengthened by religious interests; that sometimes the one is founded in the other. The power of the Sultan's successors of the Caliphs is at once a political power and a supreme pontificate. The Grand Signor is chief and protector of the Mussulman religion, and at the same time sovereign of the territories which compose his States. Nobody can be ignorant of the importance the Moslems attach to the possession of the Holy cities, which is regarded by them as an essential condition of the spiritual authority of the Sultan. But the difficulties and the slowness of communication between Turkey and Arabia, the consuming distance to be traversed, the deserts to be passed in order to convey thither the forces sufficient to maintain supremacy—the opening of the Suez Canal will cause all these obstacles to disappear. Constantinople can communicate in a few days with Arabia; and a maritime route always practicable and easy will permit of arrangements being made against all eventualities, and really bring the sanctuaries of faith again under the direction of the Sovereign Pontiff. The execution of the enterprise resolved upon by the Viceroy of Egypt will facilitate and multiply, to the aggrandisement of the Sultan's authority, one of the acts of faith most dear to the piety of Moslems, and free the subjects of the empire from those perils of the holy pilgrimage. To-day the route of the caravans is marked by the bones with which it is annually whitened.

In an indirect manner, but not less certainly, the Suez Canal will render the same service to the Moslem populations of Asia and Africa. By

uniting the two seas, it introduces into the Red Sea, and places at the disposal of the hadjis of those countries the innumerable means of communication which are found in such perfection in the Mediterranean; thus rendering still more direct the influence of the Sultan over the tribes which already recognize and respect his religious supremacy.

In regard to commercial relations, Turkey will reap advantages from the union of the two seas, not less evident than have appeared in treaty of political and religious affairs. Without recurring to souvenirs of ancient Byzantium, it is not to be disputed that at certain epochs of the middle ages Constantinople was one of the great marts of commerce between the East and the West. By the Euphrates, by way of the high plateau of Asia, she received the products of India; the silks of China and the commodities of all eastern lands embarked at the ports of the Black Sea were bounded on the shores of the Bosphorus. The Venetian and the Genoese were the factors in these important transactions. But, by perfected methods, by combinations differently arranged, the piercing of the isthmus should offer to the commerce and navigation of Constantinople a far wealthier career. A single material fact will be sufficient to indicate the advantages which the city has a right to expect from the new route. Of all the great European ports, Constantinople is the one which the maritime canal brings nearest to India and China. To day it is the most distant. It is at present 6,000 leagues from Bombay; it will in future be but 1,800 leagues. Necessarily it will become the emporium of a large portion of the commerce which will establish itself between the oriental oceans and the Black Sea; and an idea may be gained of this movement by remarking that the Trebizonde and Odessa are less remote from Suez than Trieste and Marseilles. And the commercial advantages which have just been inferred apply to all the other ports of the Empire in Asia Minor, in Syria, and in the Archipelago. By the mouth of the Danube, Constantinople extends its commercial relations to the very centre of Hungary and Germany. Naturally these relations will be augmented by the opening of the isthmus to navigation, and the Moldo-Wallachian provinces, in obtaining new outlets for their products, above all for cereals, will not fail to acquire new elements of prosperity. Finally, Turkey, which is to-day a stranger to the opulent exchanges which are commanded by the great route around Cape Horn and the Cape of Good Hope, can take an active part therein when the path of exchange shall be the Red Sea rendered accessible to the coasters of the Mediterranean by the passage of Suez.

Such are the immediate results to Turkey of the opening of the maritime canal; independently of the scope which will be given to them in the future by the interest of traders and the enlightened solicitude of the government for the well being and progress of its population.

It is claimed that the best and most trustworthy data from which to estimate the probable traffic of the Suez Canal, is found in the movements of the various European steamship companies. In France, the *Mesageries Imperiales* are adapting some of their fine steamers for the canal traffic. A number of light draught steamers are now building in England for a similar use, and docks and warehouses have been secured by the Russian Authorities at Port Said, for the use of the Great Commercial Company of Odessa, whose vessels will ply between that port and the East. The powerful and wealthy company known as the Australian Lloyd, has offered to carry free samples of the national products, with a view to improving and extending the trade of Austria in the Indian seas; and the Italian government has urged the ship owners of that country to prepare to profit by the opening of the canal. A steamship line is organizing in Spain to ply between Barcelona and the Philippine Islands; and in this country, the Oriental Steam Navigation Company will soon establish direct communication with China, India and the Mediterranean ports. As a general summary of the commercial movement, M. De Lesseps estimates the tonnage of Liverpool at 6,000,000, Marseilles, 6,000,000, and the trade through the Dardanelles 6,000,000; and claims that the traffic of the canal will be 6,000,000 at least, affording from the tonnage alone an annual return of \$12,000,000.

It is also claimed that the opening of the canal will favorably affect the commerce of the United States with the East. For the fiscal year ended June 30, 1867, our direct trade with the principal countries of the East was as follows:

	Exports.	Imports.
Dutch East Indies.....	\$204,895	\$ 8,932,485
British East Indies.....	881,141	262,401
Australia.....	5,102,255	8,473,871
Philippine Islands.....	45,686	12,112,440
Other South Pacific Islands.....	85,187	
China.....	8,788,145	
Total.....	\$14,006,809	\$24,780,197

During the same period the total of exports to Southern Europe, the Mediterranean and the East Indies, was \$71,780,203, and of imports \$65,394,796, in all \$137,147,999; from which it will appear that one sixth of the foreign commerce of the United States was transacted with the countries named in the above table. How much of this trade will flow through the new channel remains to be seen. The canal undoubtedly shortens the average distance between our Atlantic ports and the East, as will appear from the following table of comparative distances from New York and Port Royal to the principal ports of Australia and Asia, via Gibraltar and Suez, on the one hand, and San Francisco and the Pacific on

the other—measured in nautical miles, with the exception of the distance overland to the Pacific coast:

	From New York via Gibraltar and Suez.	From Port Royal via Gibraltar and Suez.	From N.Y. via San Francisco & Pacific RR.
Melbourne.....	13,200	13,700	10,300
Shanghai.....	12,500	12,000	8,800
Hong Kong.....	11,700	12,200	9,300
Manila.....	11,600	12,100	9,600
Singapore.....	10,300	10,800	10,600
Batavia.....	10,500	11,000	11,000
Penang.....	9,850	10,450	11,100
Calcutta.....	9,700	10,200	12,150
Ceylon.....	8,750	9,250	12,200

As some portion of our trade will at once follow the new routes, it is claimed that the United States will share largely in the increased prosperity of the Mediterranean ports, Egypt, Arabia and the Indies. As a movement is already on foot to transfer a large proportion of the cotton manufactures of Northern France to points nearer the Mediterranean, it is believed that a direct trade in the staple will be established immediately with this country.

It may be doubted whether, in this favorable showing, the friends of the enterprise have fairly estimated the probable traffic of the canal and its influence on the commerce of the world. A formidable array of figures and statistics are advanced in support of these predictions, but certain important facts appear to have been left out of the calculation which are likely to affect the financial success of the enterprise in no small degree. As far as the commerce of the United States with the Indies is concerned, we do not attach much present importance to the opening of the Suez Canal. Probably our East India trade will follow the route of the Pacific Ocean, via San Francisco and the trans-continental railway lines. The commerce of Europe with the East will alone be influenced by the opening of the new route; and whether the vessels engaged in this traffic will pass through the canal or cling to the old path by way of the Cape of Good Hope, will depend wholly upon which route shall prove to be the quickest and cheapest.

It is the opinion of many of our practical and experienced shipmasters, that westward bound sailing vessels will still follow the route by way of the Cape. It is true the latter route is nearly four thousand miles longer than that by way of the Suez Canal, but the time required by a sailing vessel for the voyage from Calcutta to Liverpool by the new route will be longer by several weeks than the average time now required to make the homeward voyage by the old path round the Cape. The reason for this apparent anomaly is found in the trade winds and monsoons, which favor the vessels taking the Cape route, and the northerly winds of the Red Sea, and westerly winds of the Mediterranean, which prevail through the greater part of the year, and are favorable only to vessels bound east.

ward. It is probable, therefore, that but few westward bound vessels, if any, will make the voyage from India to the Northern European ports by way of Suez. The utility of the Canal will be restricted mainly to westward bound Indiamen. To them the principal advantage of the new route consists in a considerable saving of time; but, on the other hand, there are several considerations which render it still uncertain whether even outward bound Indiamen will avail themselves of it. According to the tariff of charges already published, the tolls which must be paid to the Canal Company by the owners of vessels of a thousand tons burden for the privilege of passing through it, will amount to nearly twenty-five hundred dollars. As the tolls are graduated according to the measurement of vessels, they would in most cases exceed the amount above stated, as the majority of Indiamen exceed one thousand tons burden. It is doubtful whether the saving of time will compensate ship-owners for the largely increased expenses incurred by following the new route. Besides this, the navigation of the Mediterranean is proverbially dangerous, while that of the Red Sea is intricate and difficult; nearly as much so, indeed, as that of the Malayan Archipelago. The Red Sea is almost wholly destitute of lighthouses, its coast has been but imperfectly surveyed, and no trustworthy chart, indicating location of its many reefs and isolated rocks, has ever been prepared. It is but natural, therefore, that special rates should be charged for insuring vessels following the new route, as no company could afford to take the increased risks for the same rates now charged on vessels keeping in open sea. The saving of time, which, under favorable circumstances, could be made by eastward bound vessels following the canal, is to some extent offset by the great expense necessarily incurred; and it is still uncertain whether the old routes are not the safest and cheapest, even for vessels whose cargoes lose in value in proportion to the time required to bring them to market.

Under these circumstances, the assertion made with so much confidence, that the opening of the Suez Canal would revolutionize the commerce of the world, is manifestly premature. It is by no means certain that the canal will be extensively patronized even by passenger steamers, as the passage will be found far from comfortable at any time, while at certain seasons of the year it would prove dangerous, if not fatal, to those not thoroughly acclimated. It may be conceded, however, that the trade between India and the Black Sea and Mediterranean ports will follow the canal, and that this traffic will be greatly increased by the facilities offered by it; but it yet remains to be proved that the vast trade of Great Britain with her magnificent Indian empire will be directed through the new channel, or even that the opening of the canal will affect it to any considerable extent.

THE FINANCIAL QUESTION.

BY C. H. CARROLL.

What is repudiation? What is a dollar? What is money?

These specific inquiries embrace all that is essential in the great unsettled question of our national finance. Let me endeavor to reply to them scientifically, uninfluenced by political prejudice, or by the dogmatism of writers of any party, or of any shade of opinion.

Repudiation is the denial of the validity of a contract, disavowal of an obligation, and refusal to comply with its terms. On this point I think there can be no two opinions. Now, what is the obligation of debt in this country? Read it on the back of the greenback in your pocket: "This note is a legal tender for all debts, public and private, except duties on imports and interest on the public debt." This is equally plain on the back of the note, and in the law authorizing its issue. Nor is there any question that a legal tender involves the compulsory acceptance as a *dollar*, of anything which Congress decrees to be a dollar, in discharge of a debt, even if it be, as in the case of the greenback, but the evidence of another. The substitution of debt for debt is not indeed payment; and the law, in saying that the note of the government is *payment*, says an untruth; but it is a "legal tender," and hence a forced loan.

It takes two to make a bargain; which of these is the repudiator in this case? Obviously the creditor, when he refuses to accept the greenback according to the terms of the contract; and the talk about repudiation, of which we hear so much in reference to the 5-20 bonds, is all on the wrong side.

I do not see that the opinion of S. P. Chase, or of Jay Cooke, as to the character of these bonds, is of any more consequence, or is any more binding on the conscience or the capital of the nation, than the opinion of any other citizen who may or may not have been concerned in their sale immediately.

Facts of experience show that, under the notions of political economy prevailing everywhere, the sovereign can make a unit of price out of a bushel of beans, or a red herring, or a paper token, or anything else, and both debtor and creditor must be bound by it. To my mind it is false economy, as well as great folly and injustice; but no opinion which favors a sound political economy is popular or considered practical at present, because privileged classes of commanding influence are opposed to it who gain by the wrong.

But an *ex post facto* law is a nullity. The constitution of the United States expressly declares that no such law shall be passed. Hence the greenback is not a legal tender for any debt contracted prior to Feb

ruary 25, 1862, the date of the act which authorized the issue of the legal tender notes.

What, then, is a dollar? It is a thing of law, and not of fact, independent of law. Every government, I believe, makes the mistake of establishing arbitrarily a money unit different from the unit of weight, claiming the right to alter it in weight and quality at will. Formerly this was done notoriously, to cheat the public creditors. So that, everywhere, at least in Europe and America, law, and not commerce, determines what the unit of price shall be, and even whether it shall be a ponderable substance, and money, or not money. If government can change its substance, or alloy the coin at will, 10 per cent, or 20 per cent, or 40 per cent, and still give it the same name, and compel its acceptance at the same nominal value, why not alloy it 100 per cent, that is to say, eliminate the money, and establish a currency which is not money? And this is precisely what our government has done in making a legal tender of the greenback dollar.

I think government has a constitutional right to do this by the power to borrow money, which implies the choice to issue evidences of debt in any form that may serve its purpose; also, by the power to regulate commerce and the currency, the last being implied in the power to regulate the value of money: the moral right, as well as its expediency, is quite another thing.

It is true the inference may be drawn from the inhibition of power to the States to emit bills of credit, or make anything but gold and silver coin a tender in payment of debts, that the framers of the constitution intended to establish a hard money government; but this is only an inference. And, unfortunately for this view of the case, the principle had lapsed already on the adoption of the constitution; for the Bank of North America had emitted bills of credit, as well as loaned its credit in deposits, as money, without money, which had expelled so much money from the country. So that a specie currency, with this principle in operation, was impossible from the first.

The original dollar was coined in Bohemia of a troy ounce of silver, the fineness of which I do not remember to have seen stated. This was superseded by the Spanish dollar, weighing 416 grains of standard silver, about nine-tenths fine, and the latter was adopted as the money unit here prior to the establishment of the mint. The first American dollars were struck in 1792 to conform in weight and fineness to this Spanish coin. The mint dollar afterwards underwent several alterations, until 1853, when the coinage of the silver dollar ceased and the gold dollar became the unit. This coin contains 25.8 troy grains of standard gold, nine-tenths fine. The real gold dollar, therefore, is 23.22 troy grains of fine metal which is our present money unit, by and upon which all our foreign

exchanges are reckoned. But our currency unit, for all purposes but the payment of duties on imports and interest on the public debt, is the dollar greenback, which is essentially a paper token. Thus we have two separate legal dollars, one of money and one of debt.

Since 1858 our silver dollar has been coined only in halves of 192 grains each, making a reduction of about 8 per cent from the weight and value of the mint dollar of 1792. But in Europe the variations of the dollar have been much greater than in the United States, except that it is there always made of silver. In Germany, its birth place, where its original weight was an ounce, its contents in pure silver vary in different localities from 252.6 to 271.8 grains, the standard metal being alloyed variously, so that by our gold standard it is valued at 70 to 75 cents. In Prussia the *thaler*, or dollar, of full weight contains 842½ grains of standard silver, alloyed 25 per cent. In Italy the *tallero*, the Italian dollar, weighed 454 grains, and was alloyed 40 per cent. I believe this coin, like the old Spanish dollar, is out of circulation. Enough is here presented to show that the dollar is a creature of government and not of commerce; that it is subject to the most arbitrary alterations by Princes and legislators who are wholly ignorant of the effect of their measures, ignorant of the nature of money, of financial science and of political economy altogether.

More obscurity in political economy, and more confusion to commerce, result from the ignorance and folly of governments all over the world in separating the unit of money from the unit of weight, and tampering with the money unit, under the notion that they regulate commerce and the value of money thereby, than from all other causes. Instead of regulation, every such act is disturbance; the only regulation in the power of government being that of prevention, which shall prevent individuals and corporations from disturbing the normal value of money with a false currency in making credit in notes and deposits without value received and in counterfeiting.

Now let us consider what is money? Money is a matter of commerce independent of government. It existed before government, and records of its use appear in the dawn of history. It is a commodity which, before it was tampered with by Princes to cheat their creditors, circulated and was exchanged by the same unit of weight as other ponderable substances. 1860 years before Christ "Abraham weighed to Ephron four hundred shekels of silver, current money with the merchant," in exchange for the cave of Machpelah. The shekel was an ordinary Jewish weight equal to about half an ounce avoirdupois, having no more relation to money than to any other commodity that circulated by weight. Every one knows that the British pound sterling contained originally a pound weight of silver, and so did the French *livre*.

From the Conquest, A.D. 1066, to the 28th of Edward I, A.D. 1300, the pound weight of silver was coined into the pound sterling, rather more than 11 12ths fine. That is, the pound sterling contained 11 ounces and 2 dwts of fine silver, and 22 dwts of alloy. Under this King, in the latter year, the first depreciation appears when the pound of silver was coined into £1 0s 3d; but in the reign of Edward III, A.D. 1344 to 1350, the depreciation was extended to 20 per cent, the pound of silver still of the same fineness, being coined into £1 5s, so that 25 shillings were degraded to the original value of 20 shillings. Gradually, until the fifth of Edward VI, a further depreciation took place when (A.D. 1551) it reached its climax, the fineness of the silver being reduced to 3 ounces in the pound weight, and the debased metal was coined into £3 12s. Both these measures of depreciation reduced the value of the pound sterling eleven twelfths from that of the original pound sterling or pound of silver, leaving to the new coin of one pound but the original value of 1s 8d.

It seems that the sum of £120,000 only was so coined, and in the same year the standard was raised to 11 ounces of fine silver to the Troy pound. This pound of standard metal 11-12ths fine was then coined into £3. It is remarked in James' essays that "the coinage of debased silver money in the fifth year of Edward VI of 3 oz. fine ought more properly to be considered as tokens," which is very true, but it should be understood that all coins are tokens and not money, so far as they consist of base metal. The alloy is always reckoned of no value, and as that which is of no value will purchase nothing, and make no payment, the alloy in coin is not money since money is a universal purchasing and paying power.

During all these years, from the Conquest, or at least from the reign of Edward I, the notion prevailed that the will of the Sovereign determined what should be money, and what should be the value of money, by the name of the unit. Calling a thing a pound sterling by authority was supposed to secure a uniform value under all its variations of weight and quality.

The world has pretty thoroughly outgrown this foolish notion, but not quite. There are yet people in this country, of pretensions to scientific knowledge, who believe that Congress can by enactment determine that any thing which it chooses to call "a dollar," to be paid and received as a dollar, shall have the value of a dollar of gold coin containing 23.22 grains of fine metal, in which all the value of the dollar lies. This nonsense comes of the absurd custom of making and continuing a unit of money that is not a common and familiar unit of weight, like, for example the Troy or avoirdupois ounce or pound.

Here let me remark, episodically, that, if we in this country are to

adopt the French metrical system of weights and measures, as I trust and believe we shall at no distant day, it is to be hoped that we shall have nothing to do with the franc as the unit of money, but come at once to the gramme coined in gold, since the gramme is the French unit of weight. The gramme equals $1\frac{4}{5}$ English Troy grains; hence, if alloyed one-tenth, like the present Federal and French money, it would make a coin equal to $59\frac{3}{8}$ of our present gold dollar or nearly sixty cents. To avoid the inconvenience of having so small a coin solid, it should be made and expanded in a ring. As in any absolute change of the unit, a fraction for reckoning, in the translation from the old to the new currency, is unavoidable, we may as well have one fraction as another; and the sooner we get rid of the corrupted, blinding, preposterous, and unmeaning *dollar* the better, if we can have the plain unit of weight in gold in its place.

To return now to our immediate inquiry: What is money? it is necessary to say that in every alteration of the coinage of England, before the establishment of the Bank, general prices rose and fell to a corresponding degree; rising with the depreciation, and falling with the appreciation in quality of the unit, only excepting variations arising from the difference in the quantity of other circulating capital, such as the fullness or scarcity of crops and production generally. The alterations of the coin in England have been great enough, as I have already shown to mark this feature distinctly: and the proof is plain that money is pure unwrought gold and silver, and nothing else, differing from bullion only in the alloy or impurity of the metal, which must be eliminated to determine the quantity of money it contains.

As has been remarked already, the world has pretty thoroughly outgrown the notion that the fiat of the Sovereign can determine the value of money by operating upon the unit and debasing the coin; but it has only begun to see that the value of money can be immediately and disastrously disturbed by abnormal banking, which operates directly upon the currency, as well as by the paper issues of government. This is an evil infinitely worse than debasing the coin directly, because it amounts to a debasement of the coin in effect, and a loss of capital into the bargain.

By debasing the coin directly, government gets the advantage, as a debtor, for the difference between the new and the old unit, by paying a less quantity of money than its debt was contracted in, and it gives to every other debtor the same unjust advantage over his creditor. But here the mischief ends; no loss of national capital results therefrom because the foreigner, who sells goods to us, must accept the debased coin which he can exchange only for its true equivalent in the less quantity of

gold or merchandise for export. Whereas, when debt is converted into currency, either of notes or deposits, the sum thus added to the previous currency is as complete a debasement of its value as would be the addition of a like proportion of base metal to the coin. The foreigner accepts the debased currency for his goods, and immediately exchanges it for gold at par for its full amount, through the convertibility of the bank notes and deposits, and the loss by the debasement is thrown wholly upon ourselves.

I am indebted to no authority for this doctrine; it is self-evident in my opinion. Through some leading mind it will some day enlighten Congress and make an end of "paper money" in this country. Long after I had presented it in this magazine I discovered that it was maintained by Adam Smith, although in direct contradiction of the "paper money" theory which he seems to have contrived as an apologist of the system of the Bank of England. In the *Wealth of Nations*, Book 4, Chapter 5, on Bounties, he says:—

"That degradation in the value of silver, which is the effect of the fertility of the mines, and which operates equally, or very nearly equally, through the greater part of the commercial world, is a matter of very little consequence to any particular country. * * * * *"

"But that degradation in the value of silver, which, being the effect either of the peculiar situation, or of the political institutions of a particular country, takes place only in that country, is a matter of very great consequence, which, far from tending to make any body really richer tends to make everybody really poorer. The rise in the money price of all commodities, which is in this case peculiar to that country, tends to discourage more or less every sort of industry which is carried on within it, and to enable foreign nations, by furnishing almost all sorts of goods for a smaller quantity of silver than its own workmen can afford to do, to undersell them, not only in the foreign, but even in the home market."

This is directly in conflict with the teaching in other parts of his book, that "paper money" can be made to economize the precious metals through the operations of banking, since the paper or bank credit, on its introduction or its increase, must be an addition to, and consequent local degradation of the value of the pre-existing currency, including silver, of course. The *Wealth of Nations* is made up of disconnected lectures; the author seems to have altered his opinion at times, and to have forgotten at one time what he said at another in relation to money.

But an older and a better authority on this point than Adam Smith has recently been brought to my notice by a controversy in the *London Times*. In 1757 Joseph Harris, then master of the mint, wrote an *Essay on Money and Coins*, in which my doctrine is set forth better, perhaps, than I

can do it myself. McCulloch, the economist, who procured the republication of this book by the Political Economy Club in 1856, describes it "as one of the best and most valuable treatises that has ever seen the light." Mr. Harris says:

"Supposing the sum total of money, real and fictitious, now annually circulating in this country, to be 100 millions; 20 millions of which is in cash, and the rest in paper credit both public and private. If this paper credit be increased, by the creating of more bills, suppose to the amount of ten millions; one of the following will necessarily be the consequence: Either all our commodities will rise ten per cent in their nominal value, which will render them too dear for foreign markets; or this addition will drain away ten millions of our cash, and so impoverish us in reality to that whole amount; or the effect most likely will be partly the one, and partly the other; but whichever it is, the nation will be equally damaged. May this be ever a caution to statesmen, how they listen to projects that must clog our trade, banish our coin, and in the end bring on general bankruptcy."

Nothing can be plainer than this; but it is only a better utterance of the same doctrine that I have held, and expressed in these pages, for many years.

Our true financial policy then, is to abolish the fictitious money, or credit in currency, altogether, and thus maintain the highest possible value of money, so that we may produce and buy cheap and sell dear. Higher than the value of gold in the markets of the world we cannot keep it if we would, because gold will accumulate, both by production and import, the moment its purchasing and paying power is appreciably greater here than elsewhere. Let us so regulate the value of money as to restore it to its natural position as a commodity, and thereby so regulate commerce that we may produce commodities more abundantly, as well as cheaper, build ships and sail them cheaper, than the nations of Europe who use a paper or bank currency, and thus we can easily take the lead of the commerce of the world.

As to the pretence that a bank currency payable in coin on demand, without coin in reserve dollar for dollar to cover and pay it, can be limited to the natural sum of money that would circulate without it, which is the theory of Adam Smith, in which he contradicts himself, it is a proved impossibility. And, if it were not an impossibility, it must always be an absence and a loss of capital, as the foregoing illustration of Mr. Harris' demonstrates, and as I think I have demonstrated over and over again in this magazine.

Of the 5-20 bonds I have already spoken. It is, I think, a quibble to deny that they can be legally and justly discharged in greenbacks, but it

would be madness to do this by a new and further issue of greenbacks, since it would involve such a degradation of their purchasing power, and consequent rise of prices, as would eventually disgrace and sink them, and the national debt with them, in the hands of their holders, after the manner of the French assignats. No such extreme depreciation of currency will be long endured by an intelligent people. And the loss of the national debt would thus fall almost entirely upon the working classes, who cannot afford to be idle and reject the current circulation.

But if new gold bonds bearing a lower rate of interest, say 4 or $4\frac{1}{2}$ per cent, can be sold at par for the existing currency, as many persons suppose, then surely government ought to accept the opportunity and retire the five-twenties. I confess to great doubt on this point, because it is not a question of national credit, but of the rent of capital in this country.

In England, where the proportion of capital to the demand for its use is greater than here, and the currency is always better, because containing more of the element of capital, and less of debt, 4 per cent per annum, offers a desirable investment, the average rate there being 3 per cent. But here, where a vast extent of new, rich, and cheap, land in market, and vigorous young enterprise, with a currency of debt built upon debt, are pressing upon a comparatively limited supply of capital, 6 or 7 per cent per annum is its needful rent on good securities. It is not easy, therefore, to understand why anybody should lend us capital at 4 or $4\frac{1}{2}$ per cent, even on government bonds. Should Congress try the experiment, and succeed, I shall be very glad to admit that my political economy is so far at fault.

Loanable capital is chiefly home-staying, consisting of goods sold on short credit, the value of which the owners cannot well part with for long periods, and of money which does not run abroad to a higher rent of capital, because its rent is high only where it is scarce, and where capital in general is scarce it is of course dear in exchange value, which is the same thing as saying that money is cheap; that is, goods command high prices. Money does not go or stay where it is cheap any more than other capital. Hence capital in goods runs to California, but money runs the other way, although the rent of capital, or rate of interest, in California is from 18 to 24 per cent per annum on good securities.

We are always sure of having all the foreign capital in goods that we can consume in this country, because our financial system which makes money cheap makes goods dear. The capitalists who take and hold foreign loans in Europe pay the shippers of goods that are sold to us; but in every country such men are but a small minority of the people, and they hold or own, comparatively, but a small proportion of the capital, most of it being actively employed at home.

However, Congress will tax out of existence the fictitious bank currency of notes and deposits, fund the greenbacks, and thus give to industry and commerce the opportunity to add to the capital of the country a currency of money, which the people and the banks can use in place of the present incubus of debt, the rent of capital, or rate of interest, will fall materially, if not as low as it is in England. We can then not only manage the national debt with ease, but as I have already said command the commerce of the world.

These are my candid and carefully considered views of the financial question.

THE RECIPROCITY MOVEMENT IN CANADA.

As far as any practical benefit to the people of British North America is concerned, the confederation of the several Provinces under one government has proved a failure. Even Canada has derived but little advantage, if any, from her union with the Maritime Provinces; and the desire for independence which has always characterized the thrifty and industrious people of Nova Scotia and New Brunswick, has assumed the form of a popular movement, numbering among its most earnest advocates many of those in whose interest the Act of Confederation was framed. Everything is tending towards a political revolution that is to mark the beginning of a new era of prosperity and progress for the States north of us. During the past twelve months public sentiment in Canada on the subject of allegiance to the British Crown has undergone a marked change. Until quite recently it required no small degree of courage to express an opinion as to the desirability of a final and complete separation of the colonies from the mother country, and the bold utterances of those who represented public sentiment in Nova Scotia and New Brunswick were denounced as treasonable. The people are now impressed, however, with the fact that the question of independence is not a question of loyalty or disloyalty to the Crown, but a problem in practical statesmanship, of an economical rather than political nature.

The comparison between the material wealth and prosperity of their country and the United States, so unfavorable to themselves, has led them to consider, seriously, whether any advantage may be hoped for from a perpetuation of British institutions and British rule. They have seen that, in proportion to population and resources, their canals and railroads, agriculture, commerce and manufactures have not kept pace with those of this country, and the people are beginning to desire a change that shall result in independence of England and free trade with the United States. It

was partly to meet these requirements, essential to the prosperity of the Provinces, that the present Confederation was formed. The promoters of this scheme believed that it would lead to the establishment of a flourishing trade between the Maritime Provinces and Canada, as well as with other countries. These promises, however, never have been and never can be realized. Both are agricultural, and their products must seek the same market. The exchange of commodities between Canada and the lower Provinces in 1865 did not amount to 4 per cent of the trade of the former, while in 1866 the proportion did not reach 5 per cent. This trade has increased very little under the Confederation, and the returns for 1868 show that the exports during that year from the Canadas to Newfoundland and Prince Edward's Island were scarcely 2 per cent of their trade. At the same time, the exports from Canada to the United States, notwithstanding the high tariff of duties established by our government, amounted in value to twenty-two million dollars—more than half of her entire export trade, which is estimated at forty-two millions. The same disparity is also notable in the statistics of the trade of the maritime Provinces for 1868. The small and unimportant trade of Nova Scotia with Canada, for example, shows the folly of seeking to protect it at the expense of her trade with the United States and Europe. In 1866 the value of the exports of Nova Scotia to the United States was \$3,228,559; to Great Britain and other countries, \$287,884. It is, of course, evident from this statement that, as compared with the United States, England affords no market for Nova Scotia; and, with the exception of lumber, the same may be said of New Brunswick and Prince Edward's Island. These facts, showing as they do that the United States are the largest customers of the Provinces and, for much that they have to sell, their only customers, are the basis of the present movement in the Dominion for the establishment of reciprocal free trade relations with this country.

In the discussion of the questions growing out of the proposed changes in the government of the provinces, considerations of a purely political nature, are properly regarded as of secondary importance. That which will most conduce to the development of the country and the prosperity of the people is the object sought. Whatever may have been the advantages derived from the allegiance of the people of Canada to the British crown in former years, the time is past when any further benefits may be expected to result from it. The civilization of the British North American Provinces is no longer primitive, in any sense. With a territory covering an area of 3,097,174 square miles, rich in undeveloped natural resources, and a population of nearly four millions. The Provinces not only claim the ability to govern themselves, but insist that self government is essential to the prosperity of the country. The rapid growth and

progress of the American Republic, during less than a century of independence, furnishes the strongest argument in support of this assertion. The confederation of the Provinces under one government was a step in this direction, but the measure has proved insufficient. It is true that all restrictions upon trade between the Provinces are removed, but the advantages derived from this are only proportionate to the limited increase in the population of the country. To give an impetus to the development of their industrial and commercial resources, two things are needed—independence of England and free trade with the United States for agricultural and other products, and for certain manufactured articles which here find a market. Until the former is established it is not probable, in the opinion of the people of the Provinces, that our government will agree to the latter; and absolute independence of Great Britain is therefore demanded as a commercial rather than a political necessity.

For many reasons this movement should meet with encouragement and, as far as practicable, co-operation on the part of the people of the United States. Under the existing tariff, the revenues accruing to the government from our trade with British America do not exceed \$4,000,000 and the sum is of small importance compared with the advantages to be derived from reciprocal trade between the two countries. Since the expiration of the reciprocity treaty our trade with British North America has diminished year by year, until but little remains of our former exchange of produce and merchandise which, in 1863, amounted in value to nearly fifty millions. Under that treaty the great bulk of the breadstuffs product of the lower provinces found its way to the seaports of the Eastern and Middle States, affording a profitable business to our railroads and shipping. Since its expiration this trade has died out. What has been lost to New York and other American ports has been gained by Montreal. The receipts of wheat at that city during the present season exceeded those of last year by 331 per cent.; while the exports to Europe by, way of the St. Lawrence, will exceed that of last year by 521 per cent. From sharing any of the profits or advantages of this trade, the forwarders and shippers of the United States are now excluded. In addition to this, large amounts of lumber and other valuable products are now directed from their natural and proper course to the seaboard. The benefits of a reciprocity that shall reopen the former channels of trade, and revive the business once mutually advantageous and profitable, are fully appreciated by the practical men of both countries. We need the coal, gypsum, fish and lumber of the Maritime Provinces, and the live stock, breadstuffs and general produce of Canada, both for consumption and export. They, in return, will take our manufactures, besides receiving a considerable share, at least, of these importations from other countries

through our ports. More than this, it is of the utmost importance that the transportation routes of both countries should be mutually free. One great obstacle in the way of our more rapid commercial development is the enormous cost of transportation from the West to the seaboard. The fullest competition between the railroads and canals of both countries, is the best possible means by which to obtain control of the European markets as an outlet for our surplus products. The inadequacy of the railroads and canals of the Eastern and middle States, dependent as they are on the Michigan Central and Michigan Southern railroads, as the only connecting link with the railroad system of the northwest, and the consequent delays and expenses attending the Eastward movement of produce and the distribution of merchandise throughout the interior, make the question of reciprocity one of vital practical importance; the true solution of which can only be found in the establishment of free commercial intercourse between the two countries.

It is probable that, in some form, the question of reciprocity with Canada will be brought up during the next session of Congress. If so, we hope the movement now organized in Provinces will be met with a disposition on our part to accede to renew the relations formerly existing between the two countries. Whatever may be the ultimate political destiny of British North America, it is certain that the discussion of any scheme of annexation is ill advised and premature. The people of the Provinces do not desire it, nor would it be the policy of our government to accede to such a proposition at the present time, even if it were made in good faith, and with the unanimous consent of the people. Indefinite territorial expansion is not the aim of true statesmanship, but reciprocal trade relations are highly important to both countries.

FLOATING CAPITAL AND NEW LOANS.

Nothing more clearly indicates the change which has been slowly taking place in the minds of the people as to their capabilities, financially, than the large amount of loans put upon our market during the past four years. Previous to the war if money was to be raised by a railroad or by a city or town, in most cases an agent was at once dispatched to Europe to negotiate the bonds. The idea that our own market could absorb any considerable quantity of such securities was not entertained. Other conclusions, however, were forced out of us during the early days of the war by the refusal of Europe to take our bonds. We were thus compelled

road construction are raised from the negotiation of company bonds, the balance being obtained from stock subscriptions or from the aid given by States, cities, counties, &c., involving the issue of their own obligations, and thus placing the same amount of securities upon the market, differing merely as to the parties ultimately responsible. As we find, then, that the bonded debt of railroad and other companies negotiated in the period named is \$250,000,000, the total amount of obligations of these descriptions issued, and taken by the people in one form or another, must have been at least \$500,000,000. During the same time, also, the funded debt of the United States, including the issues of Pacific Railroad Bonds and without regard to the cash in the Treasury, was increased \$76,640,801 between the first of June 1865 and first of June 1869, making the total amount of new securities negotiated in the country during that time about \$576,000,000.

If these totals, showing such large absorption of floating capital, constituted the only fact affecting the question, the situation would indeed justify much of the apprehension felt among certain classes. But there are very many evident and important considerations requiring a modification of the conclusion thus drawn. Of course, so far as the absorption of these bonds and other evidences of debt represent a mere change of securities, no harm need be anticipated; the same may be said also if much of this money has been borrowed from Europe indirectly through New York, rather than directly through London; and on examination such will be found to be the true facts of the case. The amounts of city, county and town obligations issued for war purposes, and which have been paid off during the four years, is very considerable. In this State alone these securities have decreased many millions. So, too, several hundred millions of United States and railroad bonds have, during the same period, been taken by Europe, and in return European capital has been poured in here. This has, to be sure, come to us in the shape of goods and raw material, but is none the less capital, much of which, we have turned into money, and thus increased our ability to absorb bonds. We borrow of Europe; but as we do it through New York, the commissions are saved to the country. Again, the Government has lately been a heavy purchaser of its own securities, reaching up to the first of December, about 75 millions, and this has given the people the means for other investments to an equal amount. These facts, together with the further one that probably not over 80 per cent. of the par value of the securities named above has been realized upon them, shows that this bond movement furnishes no ground for apprehension or mistrust. For the purpose of indicating the price at which new loans are negotiated, we

accurately as the nature of the case allows, the increase in the *funded debt* of railroad companies in the period above named:

SECURITIES NEGOTIATED FROM JULY 1863, TO JULY, 1869.

Increase in U. S. bonds from			
May, 1865 to June 1, 1869	75,640,801	Memphis & Charleston	1,000,000
Albany & Saratoga	2,000,000	Milwaukee & St. Paul	5,000,000
Allegheny Valley	4,000,000	Mobile & Montgomery	1,000,000
Bay de Noque & Marquette	250,000	Montgomery & Nashville	125,000
Atlantic & St. L.	2,000,000	Morris & Essex	6,000,000
Boston H. & R.	12,000,000	Nashville & Decatur	500,000
Buffalo, Bradford & Pittsb.	500,000	Newark & New York	500,000
Buffalo, Erie & Pittsb.	700,000	Newbury & New York	250,000
Buffalo & Erie	300,000	N. Y. & O. & W. Midland	2,000,000
Bur., Cede. R. & Minn.	500,000	New London Northern	200,000
Bur. & Mich. R. & W.	2,250,000	North Missouri	6,000,000
Calif. & Pac.	2,000,000	North Penn.	275,000
Camden & A.	4,000,000	North Shore L.	125,000
Camden & N. J.	300,000	Northern Central	1,000,000
Cedar Falls & Minn.	1,700,000	Oil Creek & Alleghy. River	2,170,000
Central Branch U. Pac.	2,000,000	Osage Valley	300,000
Central Pac. of Cal.	22,000,000	Oswego & Rome	500,000
Chas. & N. & R. & W.	500,000	Pater. & Newark	500,000
Charlotte & S. Carolina	350,000	Pemberton & Hightstown	100,000
Chicago, Cin. & Louisville	400,000	Pennsylvania	2,500,000
Chicago, I. W. & N. & W.	1,100,000	Pittsburg & Connellville	2,000,000
Chicago & Northwest	4,000,000	Port Huron & Lake Mich.	1,000,000
Chicago, Rock I. & Pac.	1,375,000	Pitts., Ft. Wayne & Chic.	500,000
Cin., Dayton & Western	475,000	Rockford, R. I. & St. Lou.	9,000,000
Cin., Ham. & Dayton	250,000	Rome, Watert. & Ogden	571,000
Cleveland & P. & W.	400,000	St. Joseph & cons. Bluffs	2,000,000
Cleveland P. & W. & Ashtab.	700,000	St. Louis & Iron Mountain	2,000,000
Columbia & Augusta	00	St. Louis, Jackson & Chic.	2,500,000
Columbus, Chi. & Ind. Con.	00	St. Louis & S. Joseph	1,000,000
Columbus & Homing Val.	00	St. Louis, Vaud. & T. Santa	4,500,000
Connecting Ohio	00	St. Paul & Pacific	2,000,000
Cumberland & Penn.	00	Sheboygan & Fond du Lac	275,000
Danville, U. C. & R. & P.	00	Sioux City & Pacific	1,700,000
Detroit & Milwaukee	00	Southside, L. I.	750,000
Dubuque & Sioux City	00	Southwest Pacific, Mo.	2,000,000
Dubuque & Northwestern	00	Southern Minnesota	1,400,000
East Tenn. & W.	00	Toledo, Peoria & Warsaw	2,500,000
Eastern & W.	00	Toledo, Wab. & Western	2,300,000
European & N. American	00	Union Pacific	25,000,000
Erie	44	Union Pacific, Central Br.	3,000,000
Erie & Pittsburg	00	Union Pacific, E. Div., low	1,600,000
Flint & Pere Marquet	00	Kans. Pac.	11,475,000
Grand Rapids & Indiana	00	West Wisconsin	1,000,000
Grand River Valley	00	West Jersey	1,000,000
Ind. Cinn. & Lafayette	00	Western Maryland	1,000,000
Ind. Crawford & Louisville	00	Western Union	4,000,000
Jackson, Lansing & Sag.	00	Del. & Hudson Canal	1,500,000
Junction Phila.	00	Lehigh Coal & Nav.	5,000,000
Keokuk & St. Paul	400,000	Morris Canal	250,000
Lawrence, Pa.	200,000	Western Union Telegraph	2,000,000
Lehigh & Lackawanna	200,000		
Lehigh Valley	1,900,000	Total Company Bonds	\$349,308,411
Louisv., Cin. & Lexington	2,100,000	Add U. S. Bonds	75,640,801
Louisville & Nashville	2,500,000		
Marquette & C.	2,200,000	Total	\$424,949,212

In the above statement, only that debt is included which was issued *de novo*, and not such as was issued in exchange for other obligations previously outstanding. It is possible that in particular cases the amount of obligations negotiated may be overstated, but, as a whole, the figures are below rather than above the actual amount issued.

We have made no account here of the increase in capital stock, either of old corporations or of those more recently organized, as a detailed statement of stock outstanding could hardly be given with accuracy. It may be assumed, however, that about one-half only of the funds for rail-

The Chicago & Alton Company, on 1st January, 1864, assumed the liability to pay interest and dividends on the bonds and stock of the Joliet & Chicago R. R., as below :

Mortgage Bonds eight per cent. on.....	\$500,000
Stock seven per cent. on.....	1,500,000

and acquired by lease in 1868, possession in perpetuity of the St. Louis, Jacksonville & Chicago Railroad, at a minimum rental of \$240,000.

The charges on the property may therefore be stated as follows:

Preferred Sinking Bonds.....	\$72,000
First Mortgage, say.....	168,000
Income Bonds.....	77,000
Joliet and Chicago lease.....	100,440
St. Louis, Joliet and Chicago lease.....	
(Minimum rental).....	240,000
	<hr/>
	\$717,440

Including Sinking Fund payments and Government tax the financial condition for 1868 may be stated as follows:

Balance to the credit of Income account.....	\$794,259 25
Net receipts.....	2,015,400 23
	<hr/>
	2,809,659 48
Disbursement as per the Annual Report.....	\$1,953,145 24
	<hr/>
	\$966,514 24

Included in the above disbursements was an amount of \$635,766 07, being "Cost of Improvements charged this account," so that in addition to

Balance at credit Income account.....	\$94,952 28
Can be added	<u>63,706 07</u>
Total net profits.....	\$1,582,118 35

The earnings for 1869, as reported have been

January, 1 to November 30, passengers.....	\$1,77,235 75
" " freights.....	2,866,449 75
" " mails.....	217, 53 08
	<hr/>
December earnings estimated.....	\$1,316,883 11
	<hr/>
Total earnings 1869.....	\$4,708,582 11

Showing an increase in earnings for 1880, of about \$200,000.

Assuming the fixed charges and operating expenses to be the same, we have the following result:

Gross receipts.....		\$1,702,558 11
Expense—same as last year.....		2,163,182 64
		<hr/>
Less fixed charges.....		\$2,215,401 47
		717,440 10
		<hr/>
Common stock.....	2,125,400	\$1,527,965 47
Preferred stock..	\$5,141 00	
	<hr/>	
	\$7,557,900	
10 per cent \$756,720 00 and 5 per cent tax \$37,836.....		791,556 00
		<hr/>
Surplus.....		\$233,400 00

Now let us see how the case will stand after this 50 per cent addition to the stock :

The present stock amounts to.....	\$7,567,200 00
Add 50 per cent in common stock	8,788,400 00
Total stock is now.....	\$16,355,600 00
Assuming amount on hand, after payment of fixed charges to be as stated above.....	\$1,527,965 00
It will be seen that after payment of 10 per cent on the increased capital, which would be.....	\$1,635,000 00
Tax 5 per cent.....	86,754
Total dividend.....	\$1,721,754 00
Balance remaining on hand	\$336,131 00

We will see that after paying 10 per cent. dividend on the present increased capital and all the fixed charges against the Company, there will still be a surplus of \$336,131 to the credit of income account.

It should also be stated that these figures are based upon the business of the *present line*. They show that if we take the road as it now stands, it can pay more than 10 per cent dividends upon the increased stock. Of course there will be a contribution to the earnings of the road, from the business of the new line of 112 miles, which is to be built with the money paid in for the new issue of stock. The directors claim that the new line will earn its own 10 percent. dividend on cost, and increase the traffic on the main line. The road and branches will be 544 miles in length.

THE DISCOUNT MARKET.

For a few weeks past there has been a growing pressure in the discount market, which at last has developed into an unusual stringency. The city banks report a greater urgency from their mercantile customers for accommodation than has been experienced for many years past; and that the applications have exceeded the means of the banks has been unfortunately obvious, from the fact that several failures have occurred within the week. When the best double name paper is negotiated with difficulty at 12@15 per cent, and choice single names at 12@24 per cent, the market is obviously far from being in a healthy condition; and this state of affairs appears the more anomalous, in view of the fact that money is comparatively abundant on call, Wall street borrowers being readily supplied upon collaterals at 5@7 per cent.

It has been common with the press to attribute this condition of the market to a radical distrust in mercantile credits. It is of course to be expected that, when rates rise to such extraordinary figures, there should be more than ordinary caution among discounters; but we find no

reason for supposing that the process which has culminated in the prevailing pressure was influenced by any special lack of confidence. The banks generally state that they now hold more paper than for many years past, and it is hardly presumable that they would have discounted so heavily under a feeling of distrust. It has been again said that distrust has been especially directed against the dry goods interest; this idea, however, is irreconcilable with the fact that there has been no more difficulty in negotiating that class of credits than any other, nor have rates upon such paper been relatively higher. Of course, with a deranged monetary system, with a steady decline in prices and consequently in the value of stocks of goods, and with extravagant private and business expenditures, there is naturally a chronic feeling of caution respecting credits generally; but there has been of late nothing to stimulate or intensify this feeling, or to augment the risks arising from these causes. On the contrary, within late months there have been indications of an improving condition of the material interests of the country at large. There has been a check upon our late excessive importations, and our exports have very materially increased—the best possible indication that stocks of commodities are recovering their normal condition, and that the product of the country is gaining upon its consumption, the symptom for which intelligent observers have eagerly watched as the truest evidence of a natural return to a healthier condition of affairs. So far, the signs of the times have been encouraging to a growth of confidence in commercial credits; and the banks have not been slow to appreciate these indications.

This unusual condition of the discount market appears to be very closely connected with recent irregularities in currency movements. A few months since the Treasury began to cancel the lower denominations of United States notes, and the process was continued until several millions of the more active form of legal tender circulation were temporarily retired from use, the Treasury having but this month commenced to replace the retired notes. From this cause, the New York banks could only very partially supply the demand for currency from the West for moving the grain crops. The West had consequently to sustain the pressure of an important currency contraction at a season when currency is required for the transfer of commodities from the producer to the merchant. In the absence of the usual medium of exchange, the crops had of necessity to be moved to a large extent upon credit. The farmer, having failed to receive money for his products, was unable to make purchases or settlements with the storekeepers, who, in turn, were unable to settle with their creditors; and thus the Western merchants were, on the one hand, compelled to buy in this city more largely on credit than usual

and, on the other, to ask a temporary extension of maturing obligations. The direct result of this process has been to cause a sudden and large increase in the credits granted by New York merchants; and hence the unusual magnitude of their present applications for discounts. So far as this cause may have contributed to the prevailing stringency, the pressure is to be viewed as the result of a temporary postponement of settlements, from reasons of an extraneous and exceptional character.

At the same time other minor influences may have helped to impede credit operations. Rumors have prevailed foreshadowing a decision of the Supreme Court adverse to the constitutionality of the Legal Tender Act; and its importance having been magnified for sensational effect, it is possible that some may have felt timid about taking long date paper. The growing conviction that the increasing crops and the decline in gold will inaugurate a permanently lower range of values, may also have produced in some quarters a feeling of caution. But our observation does not lead us to suppose that these influences have had any very material effect upon the negotiation of credits. Something, however, is undoubtedly due to the fact that the means of the Western population has been diminished by the recent fall in the value of grain and other produce. The aggregate value of the grain crop of 1869 is very materially below that of late years; and as the reduction of expenditures does not immediately accompany the loss of income, is quite conceivable that the West is temporarily short of funds for paying its debts to the East. Then, again, the effect of the irregularity in currency regulations, above alluded to, has been aggravated by the lack of elasticity in our monetary system. In the absence of any arrangements providing for the redemption of bank circulation during periods of ease in money, the surplus funds of the banks are at the quiet seasons of the year drawn into speculative movements and there held, at periods when the crop movements call for a freer circulation, and when the merchants require enlarged discounts. This, however, cannot perhaps be regarded as having contributed more than usual to the prevailing pressure.

Upon the whole, then, we incline to the conclusion that the present state of the market is mainly the result of an over supply of mercantile paper, induced by temporary and exceptional causes, extraneous to purely commercial movements or to considerations fundamentally affecting the soundness of commercial credits.

RELIEF FROM FISCAL BURDENS.

The December statement of the debt shows us that we have in the Treasury almost 77 million dollars of bonds, of which 20 millions belong to the sinking fund, while the remainder are held to await the action of Congress. The fact that so large a surplus has been raised by taxation during the past ten months is very gratifying and suggestive. It shows that this country is in earnest in the work of paying off its public debt, and it indicates the extent of the fiscal resources and industrial strength which can bear so heavy a drain upon its means, and can still carry forward with more energy and activity than ever, innumerable railway and other projects, which are absorbing capital to a degree seldom equalled in this country heretofore. Now, however, a general desire appears to be springing up on almost every hand for a diminution of the pressure of taxation. Great as has been the amount of the taxes repealed during the last two years, it is notorious that much remains to be done before our internal revenue system can be pronounced adapted to the fiscal wants of the country, or free from mischievous imperfections. It has been truly said that a bad tax is more mischievous, and inflicts greater evils on a people, in time of peace, than a disastrous campaign in time of war. Spain, by a foolish and monstrous tax system, confiscated the property of its industrial population, devastated and laid waste its fairest industries, and put back the progress of the country for a whole century. Now, although there is little danger that under our popular government, such stupendous disasters should be let loose upon the country by bad fiscal legislation, still minor evils, to a considerable extent, have been produced by some of our taxes. And where these fiscal evils remain on the statute book, public opinion demands that the pruning knife of fiscal reform must, with a firm hand, be applied.

But there are other reasons why a diminution of the pressure on internal revenue is demanded. The aggregate amount yielded by these taxes is regarded as more than the country can really afford. The custom duties yielded last year nearly 182 millions, and the internal revenue 159 millions. There is a large class of persons who are in favor of reducing the internal revenue to about 120 millions, or even lower, keeping up by a revenue tariff the aggregate of the customs duties, so as to secure the prompt payment of the interest on the public debt, and the redeeming a considerable sum of the principal of the debt every year. By rigid economy in every department of the administration, by turning a deaf ear to all projects for making grants to new railroads, or subsidizing steamship companies, or buying up useless real

estate from foreign governments, we shall be able, it is supposed, to get along very well with 180 millions from customs and 120 millions from internal revenue.

But there is a third reason urged by those who are in favor of a repeal or remission of some of the internal revenue taxes. It consist in the fact that to lower taxes does not always lessen their productiveness. This was seen last year in the working of the spirit tax, which yielded 30 millions at the reduced rate of 50 cents a gallon, against 13 millions the previous year, when the tax was \$2 a gallon. The full report of the internal revenue collections for last year is well worthy of examination in this point of view. It is semi-officially published as follows :

Articles.	1869.	1868.
On spirits.....	\$45,026,401 74	\$14,290,780 98
On tobacco.....	23,490,707 57	14,047,107 58
Fermented liquors.....	6,098,779 51	5,643,63 70
Banks and bankers.....	3,835,576 52	1,967,745 53
Gross receipts.....	6,301,998 82	6,240,640 84
Sales.....	8,201,830 03	4,787,000 33
Other special taxes.....	8,801,451 67	16,394,547 23
Income.....	34,701,253 84	41,453,548 86
Legacies.....	1,244,781 01	1,318,357 64
Articles in schedule.....	8,240 78	1,134,379 98
Passports.....	29,153 00	24,280 00
Gas.....	2,116,105 83	1,902,041 52
Penalties.....	877,048 79	1,254,831 59
Not otherwise mentioned.....	1,244,078 98	6,030 37
Stamps.....	16,407,710 01	11,852,252 02
Total collections.....	160,039,341 29	
Total tax refunded.....	360,283 12	
Net collections.....	159,679,058 17	

This report fully bears out what has been said about the increased productiveness which sometimes follows reduced rates of taxation. It is needless to cite the details. Fiscal history is full of illustrations of the same truth. What is more useful is to point out a fourth reason for reversing our internal tax system. We refer to the necessity for repealing petty, inquisitorial, unproductive taxes, which make a government unpopular and cause needless annoyance to private citizens. One of the taxes most resented and objected to, because of its inquisitorial character, is the income-tax. The *MAGAZINE* has not ventured to go so far as to recommend that it should be given up when it expires next year. It produced thirty-four millions last year against forty-one millions the year before. If this large sum could be dispensed with, we should be glad. But other inquisitorial and offensive taxes there are which have no indispensable character of productiveness about them. The articles in schedule A, and several of the special taxes, might be dispensed with, and we should scarcely lose any appreciable amount of revenue; for they cost oftentimes to the people far more than they bring in to the Treasury. The abuses of the tax on gas and on the fares

upon the street railroads have been frequently pointed out, and the time certainly has come for a reform.

We have space to notice but one more of the numerous reasons for revising our Internal Revenue system. Some of its arrangements demoralize the tax-payer. We put too much temptation to false oaths before the minds of our citizens. Except, we believe, in Holland, a generation or two ago, no modern government has ever taken so bold a step as to put almost every man of its more intelligent adult population under an oath in order that it may raise from them a fragmentary part of its taxation and prevent them from defrauding it of its legal revenue. By all means let us do away with the multiplicity of oaths. No supposed advantages of any revenue arrangement will compensate for the fearful perils which in a Republic like ours must inevitably spring from causes which demoralize the citizen, degrade the public opinion of right and wrong, and outrage the reverence of the human mind for the solemn asseveration of an oath. The English Government for almost a quarter of a century has derived considerable revenue from an income tax, but it has never resorted to the expedient of putting the taxpayers under oath, much less has it resorted to the clumsy contrivance of attempting to prevent false swearing by publishing, or conniving at the publishing, of the income returns in the newspapers. Congress, of course, will take no rash steps in regard to our fiscal system, but we have said enough to show that a well-considered judicious reform in regard to our internal revenue is not only expedient but desirable, and imperatively demanded by public opinion and by an enlightened regard to the best interests of the nation.

THE SUPREME COURT AND THE LEGAL TENDER ACT.

Prophets of evil are always abundant. In fact it requires so little skill or acumen to follow their profession that it is no wonder many spend their time in dressing up their imaginary dangers to frighten the timid with. At present the country is full of these self-satisfied individuals who are filling the air with their dismal forebodings. But they lived during the entire period of the war, and in spite of them the country prospered.

The rock upon which every man's fortune is now to be wrecked is, according to these wise heads, the expected decision of the Supreme Court with regard to the Legal Tender Act. That decision will at once,

we are told, take off thirty per cent from all values, leave the country without a currency, and all commercial matters in inextricable confusion. This certainly is a dark picture, and if there were any real resemblance between it and the probable events of the immediate future, capital would be very timid and business paralyzed.

But in the first place may we not challenge the assertion, that the Supreme Court is to render any decision upon these questions? If the results are to be as disastrous to the country as these forebodings indicate, certainly that Court can see it, and constituted as it at present is, would delay action until a quieter and easier mode could be found for lifting us out of our present condition and putting us upon a more stable currency basis. Our entire revenue system depends for its productiveness upon freedom from any such convulsion; in fact the whole machinery of the government, its ability to maintain itself under the heavy payments it must make, are so intimately connected with the commercial prosperity of the country that we may rest with perfect confidence in the knowledge that nothing will be done by that Court which can result in any sudden tumble in values.

We should therefore be entirely sure, if the results of this decision were to be thus disastrous, that the country's needs would influence and guide the Court in its deliberations. Yet a delay of justice is to the litigants a denial of justice, and nothing but national disaster, as the result of their action, would be an excuse for delay. Such, we think, is the opinion of the Court, and that they do not anticipate any injury to the country from this decision, and do not intend to hold the question open much longer, would be inferred from the decisions already made affecting this subject. In two cases, they have held contracts valid and have enforced them, which by their terms were to be discharged alone by the payment of gold. Another contract under the Confederate Government the Court decided must be paid in confederate notes or their equivalent at the maturity of the obligation. In a word, the idea appears to be that the contract must be executed according to the intent of the parties making it, and that these vexed questions shall be so settled and the statute so interpreted as to work the least possible injury to individuals.

With these ideas in view, then, what is likely to be the decision of the Court on this legal tender question, and what when made, will be its results? The Court can come to either one of the two conclusions. First, that the provision in the act making the greenback a legal tender for all debts was void *ab initio*. Such a decision would not, however affect obligations payable in dollars made since greenbacks came into use as currency; for the Court has already held as noticed above, that the intent of the parties would in all cases govern, and that they would

therefore be payable in currency. Any other construction would impair the contract, and is therefore wholly unauthorized. Hence, after the decision, contracts could be made and business could be transacted in either gold or currency, precisely as it can be now. In this particular then, such a determination of the question would work no change in the condition of the country or in the modes of doing business. The words legal tender would be erased from the United States currency, but they would none the less be legal tender for the payment of all outstanding contracts made since their issue, and for every contract subsequently made, in which such was the intent of the parties to it. How, then, could any disaster or check to business transactions result?

But it may be said that the inferior currency (the greenback) would be quickly forced out of use by the better (gold) currency, and that hence we would have the severest kind of contraction. This very argument was used when it was proposed to pass the Gold Contract Bill, and yet how little influence the decisions establishing the principle contained in that bill have had; in fact not the least, in the direction suggested. And in the nature of things why should United States notes be any the less in use than at present? They would, according to the above mentioned decisions, discharge contracts precisely the same as now; the business of the country would continue as now to be done with them; and only by very slow degrees would that law assert itself, and then, in a natural, quiet way, as the country became prepared for the change, bring us back to a currency redeemable in specie.

Nor need we fear that the Banks would suffer by the action of the Court, and through the Banks the people. Ordinary banking business would be conducted as now, money being loaned and notes paid, deposits received and checks cashed all in kind. The gold decisions and the confederate decision above referred to would protect the parties to any contract. With regard to Bank currency it might be necessary for Congress to grant some relief, so that no one could demand specie of them for their bills until both they and the country were in position to resume gold payments. We do not indicate what precise action would be necessary, or what should be done. But the Banks are the creatures of Congress, and have become the financial machinery of the country; the crippling of these institutions would be quickly felt throughout the whole commercial body. Hence the power and necessity would exist for meeting any exigency which the new state of things might make apparent in their business relations with the country.

Again, there can be no force in the idea that as a result of such a decision gold would rise in value, or more properly speaking greenbacks would depreciate. We have already seen that United States notes would

perform all the functions of currency they now perform, so long as the business of the country was conducted on that basis. Besides they would now continue to be the notes of the government, and it would as now be liable for their ultimate payment. Without doubt some provision also would be quickly made for their final withdrawal; not violent withdrawal so as to disturb the business of the country; but gradually and almost imperceptibly lifting them up to the value of gold. This might be done by converting them in fixed amounts at fixed times into compound notes, as we have often heretofore suggested.

In what has been said we have taken it for granted that the decision of the court would declare the legal tender clause void *as it is*. This is the most radical form which the decision could take. There is another conclusion which we think the court is more likely to reach, and which would involve no possible change in the status of things, and yet effectually dispose of the question. The Legal Tender act was passed at a time when the nation was struggling for its life, and it was declared by the then President, by a large majority of Congress and of the people, that it was requisite as a war measure, as a means of national preservation. Of course many will insist that it was not necessary; that the war might have been successfully prosecuted without it. We shall not argue the point. As we have stated above, Congress affirmed that it was necessary, and a large majority of the people were of a like opinion. The United States Court can now very reasonably be of the same mind, and declare that though the letter of the constitution does not authorize such an act under any ordinary circumstances or condition of the country, yet there is a war power necessarily inherent in any governmental constitution authorizing any and every act which is requisite for the preservation of the nation's life. Should the Court come to this conclusion the result would simply be that the present issue of legal tenders would be upheld, but any new issue would be impossible. Such a decision could not in any manner interfere with, or in the least disturb the business of the country.

We thus see that in any event the difficulties and dangers suggested by these prophets of evil are merely imaginary, and that the changes effected in our daily transactions by this decision would be very slight. But there is one important particular in which the whole business interests of the country would be benefited. We are now living under continual uncertainty as to whether Congress will or will not issue more currency. Every interest is held in suspense by this doubt. There can be no real vitality given to legitimate enterprise so long as this state of affairs continues. But let this decision be announced in either way suggested, so that it is known that no new issue of greenbacks can be made, and at once a

degree of certainty is thrown around the future; confidence will increase; capital will become less timid; and the movement towards a more active, legitimate business be fairly inaugurated. May we not, therefore, conclude in view of what has been said that a decision of the Supreme Court such as we have indicated above would be a source not of evil but of the highest good to the country.

CONDITION OF THE MASSACHUSETTS INSURANCE COMPANIES.

The following interesting statement, showing the condition of the Insurance Companies of Massachusetts, was prepared by the Secretary of the Howard Insurance Company of Boston, and presented to the stockholders of that company at their annual meeting on the 15th of October:

Name.	Capital, 1863.	Surplus in 1863.	Surplus in 1868.	Gain or loss of surplus in four years.	Dividends paid in 4 years.	Average annual per cent of dividends since company was formed.	Avg's annual surplus on each million of assets during 4 years.
American.....	307,000	312,470	250,063	+62,407	60	16%	2.375
Bay State.....	144,000	1,470	16,97	+15,257	26	5 1-16	1.477
Boston.....	200,000	242,575	146,681	+95,894	46	11 1-5	2.247
Boylston.....	300,000	331,788	381,904	+50,116	115	12 57-100	2.323
City.....	200,000	4,469	170,949	+166,480	40	8 5-17	2.000
Eliot.....	250,000	188,421	275,807	+87,386	43	11 4-9	2.564
Firemen's.....	300,000	246,096	479,420	+233,324	108	15 7-10	2.132
Franklin.....	300,000	8,000	57,934	+49,934	22	9	2.294
Howard.....	200,000	16,620	81,757	+65,137	30	7 3-5	4.520
Manufacturers.....	400,000	739,000	892,468	+153,468	76	16 53-100	10.546
Merchants.....	500,000	271,958	245,169	-26,789	83	19 34-100	2.178
National.....	300,000	203,119	229,609	+26,490	52	15 41-100	2.225
Neptune.....	300,000	358,185	201,365	-156,820	65	15 73-100	4.120
North American.....	500,000	20,000	22,100	+2,100	76	11 1-16	2.555
Peoples.....	200,000	107,533	164,501	+56,968	50	9	5.06
Prescott.....	150,000	46,014	125,041	+79,027	30	7%	5.001
Shoe & Leather.....	200,000	65,167	146,006	+80,839	42	10	2.297
Suffolk.....	150,000	46,677	74,817	+28,140	31	4	2.178
Springfield.....	300,000	71,728	83,617	+11,889	43	18	1.211
Traders & Mechan's.....	500,000	85,768	55,941	-29,827	38	8%	5.567
Washington.....	300,000	242,135	249,847	+7,712	66	1 3-4	6.441
					yrly avg	yearly avg.	avg.
					18 9-10	11 17 31	5.70

* Average

is gain.

† is loss.

THE HOG CROP AND ITS PRODUCT.

The commencement of a new season in "pork packing," and the curing of other products of the hog, brings with it the usual amount of speculation respecting the probable supply and demand. These matters are susceptible of being estimated with tolerable accuracy. Packers, through their correspondents at the different points, obtain such information as enables them to state the number of swine which are to come to market with fully as much accuracy as the cotton crop may be estimated; indeed of late years the estimates of the packers have very nearly approximated actual results, they seldom making such a mistake as was made last year in cotton.

There has not been, either, any important obstacle to an accurate estimate of the probable demand. It is, to be sure, subject to some contingencies. The foreign demand depends a great deal upon the state of trade in Great Britain. If manufactures are active in that kingdom, and her working people well employed, our exports of bacon will be larger than usual; if otherwise, smaller. The activity of the shipping interest also produces an increased demand, while the state of industry in the Southern States has a considerable influence in the same direction. This was well illustrated in the early part of 1868. An extraordinary advance then occurred in the price of cotton. It was about the season for planting cotton, and the advance in the price was a great stimulant to the work of planting. The increased work of planting cotton was immediately felt in the market for hog products, which were wanted to provide food for hands engaged in that work, and an advance in prices of bacon and lard immediately took place, amounting to about thirty per cent on the prices previously ruling.

There is a disposition to estimate the number of swine for the coming season at about the same figure as last season; while at the moment nothing is apparent indicating that the demand will be more than an average from any direction. The dull state of trade in England, and the large number of hands in the manufacturing districts unemployed, do not favor a large export demand. The decline in cotton that has taken place does not favor special activity in cotton planting, nor any increased demand for hog products from the South. The shipping interest is so much interfered with by regular lines of steamers, whose consumption of cured meats is relatively much smaller than that of sail vessels, that but little promise is evident in that direction.

But a comparatively new feature in the trade, and one affecting the course of it very materially, is the practical abolition of what was formerly known as the "packing season," which commenced about the first of November and ended about the first of March. The curing of hog products

has for a year or two past been kept up all the year through with the aid of ice. Ice-cured meats have nearly supplied our local trade for two summers past, and considerable quantities have been shipped abroad. The farmer has discovered that there is a market for his hogs at any time. He is therefore under no necessity of hurrying them to market at a particular season, or in default losing the sale of them. They can be sold in July as well as in December at their full market value. This is a favorable circumstance in many respects. It promotes better curing, by avoiding the haste and carelessness incident to "the season." It facilitates economy in feeding, and preserves the health of the swine. Its commercial effect is to cause the swine to be held back if prices are low and corn is low. If corn be high, as now, the farmer is disposed to send it to market, and his swine with it half fattened. There is every prospect of corn ruling at a pretty full figure for the coming year, even in the absence of an export demand, the cold and drought east of the Alleghanies having materially reduced the yield this year. This favors an early marketing of the swine which may now be ready, or nearly ready, to come forward. And yet there is reason to believe that the hogs will be well fattened. If corn is scarce and dear, other grains are cheap, which, mixed with potatoes (of which the crop is excessive), make excellent food for swine. There is, besides, the "mast" in Tennessee and Kentucky, said to be never more abundant, and which fattens hogs well.

From this review of the subject, there is little encouragement to expect the high prices which have ruled in the past six years, and it is probable that for this important crop, as in breadstuffs and cotton, it will be found difficult to infuse a speculative spirit into the market, in the absence of which prices are quite likely to rule lower than many anticipate.

TENNESSEE FINANCES.

The following from the Comptroller's report is of much interest :

STATE DEBT AND FINANCES OF TENNESSEE.

Bonds loaned to railroads, ante-war.....	\$12,115,000
Bonds to fund interest thereon—1866.....	2,212,000
New bonds to railroads, since war, 1866-69.....	11,397,000
Railroad bonds indorsed by State.....	2,196,000
Total railroad debt.....	\$28,920,000
Bank, capital and other old debt.....	2,472,000
Total debt, October 1, 1869—.....	\$31,392,000
Add July, 1869, interest unpaid.....	1,500,000
Together.....	\$32,892,000

Represented as follows :

Railroads for bonds and indorsements, as above.....	\$31,821,000
Due from railroads for arrearages of interest due State.....	2,303,000—\$31,117,000
State Capitol, Bank of Tennessee, &c.....	\$2,207,000
Taxables of the State.....	222,881,242
Revenues of 1869-70.....	\$1,878,940
Less for schools.....	450,000—\$1,428,940

The Comptroller remarks :

From October 1, 1869, to October 1, 1870, this amount of money will be paid into the Treasury as State tax if the revenue laws are not so changed as to lessen it. To this is to be added the revenue derived from the privilege tax on insurance companies, bonus from banks, turnpike dividends, telegraph and express companies, the redemption of lands and town lots that have been sold for taxes and bid in for the use of common schools, and whatever may be received from the railroads.

As to the amount likely to be paid into the Treasury from these different sources, the Legislature will judge from the amount received during the present fiscal year. The amount paid into the Treasury during the fiscal year ending September 30, 1868, by the railroads, was \$998,251 14. During the year ending September 30, 1869, it was only \$720,264 51. This shows a falling off of \$267,985 63. The cause of this deficit on the part of the railroads, was the inability of some of the roads (that are unfinished), longer to pay, and the refusal of others to pay (able to do so), unless the State would receive from them in payment of their indebtedness, past due coupons which they had purchased at a reduced price for that special purpose—as I have been credibly informed, and verily believe. The Memphis and Charleston Railroad Company (due the State on interest account), \$55,931 62, proposed to pay its dues to the State—as above—to the fiscal agency of the State in New York, on the 30th of June last, provided a portion of it, nearly half the sum, would be received in coupons.

Learning in June last that certain railroad companies had agreed among themselves not to pay their July interest, thus making it impossible for the State to meet its liabilities, and afterward, when our securities had depreciated, to buy up the coupons, and present them in payment of their July interest. I instructed our agency in New York not to receive coupons from any road. The proposition of the Memphis and Charleston Railroad Company therefore was rejected, and the \$55,931 62 remains unpaid.

The Mississippi Central and Tennessee Railroad Company has also failed to pay, notwithstanding the fact that its President was fully advised of the necessities of the State Treasury, and notwithstanding the ability of the Company to pay.

The case of these two roads is specially spoken of here in my report, for the purpose of calling the attention of the Legislature to the necessity of instituting measures to effectually checkmate the designs of railroad companies, which—dead to every principle of gratitude to the State that has warmed them into life—use every means within their reach to sink her into temporary bankruptcy for purposes of self speculation. These roads certainly ought at once to be put into the hands of receivers, and run in the interests of the State till the last farthing is paid.

My reasons for not accepting coupons from the roads in payment of their July interest last, may be stated as follows: The State lends its bonds to the railroad companies. The companies sell the bonds, and use the proceeds in building their roads. The holders of the bonds do not look to the railroad companies for the interest maturing on the bonds. That is the business of the State. So far as the payment to the State of the interest due by the companies on the bonds loaned is concerned, the law provides that it shall be paid by the companies to the State semi-annually, by the 15th day of June and December of each and every year, not only the amount due, in many, but enough besides to pay for exchange, commissions, &c.

This being the law on the subject, it is evident that no railroad company has even believed that it could force the State to take coupons in payment of the interest due by said Company to the State. The object of these companies, therefore, must have been to depress the price of the bonds of the State for purposes of speculation, by taking advantage of the peculiarly critical condition of the State Treasury at that time, which was well understood by them.

The report shows what roads have fully paid their interest. I am not of opinion that any of the roads have intentionally failed to pay except the two already named, and the Evansville, Henderson and Nashville. It owes the State \$18,000 in interest, and I believe its purpose is to swindle the State. The Nashville and Decatur has paid \$181,955 29 on its January and July interest, 1869. It still owes \$15,955 26; but this will soon be paid. I have assurances, also, that the Knoxville and Charleston Railroad will soon pay the amount of interest due by it.

It seems evident that the State has increased her liabilities (by loaning her

bonds to railroad companies that failed to pay the interest on them) to such an extent that it will be impossible for some years to come to meet them.

Taking this view of the subject, I would respectfully suggest to your honorable body the propriety of selling a sufficient number of our roads, for the bonds of the State, to lessen our liabilities some eight or ten million of dollars. With this reduction in our State debt, our liabilities could be regularly and unfailingly met.

NORTH CAROLINA BONDS.

The Committee on Securities of the Stock Exchange, has made the following report in regard to the North Carolina State Special Tax Bonds:

First—That those bonds only which have been passed by the Committee, are good delivery, either as New Bonds or Special Tax Bonds.

Second—That, until further notice from the Committee, all North Carolina State Bonds must be dealt in, according to the standard of the old bonds, and carry the coupon of January, 1869, or be made to conform thereto. The Committee likewise decide, that North Carolina State Bonds, issued to the Atlantic, Tennessee and Ohio Railroad Company, are not good delivery, either as new bonds or Special Tax Bonds. They may, however, be called up separately on the Free list.

The following North Carolina State New Bonds have been passed by the Committee:

North Carolina State Bonds, issued to the Western North Carolina Railroad Company, dated October 1, 1868.

North Carolina State Bonds, issued to the Western North Carolina Railroad Company, dated April 1, 1869.

Williamston and Yarbore Railroad Company, dated October 1, 1868.

Wilmington, Charlotte and Kutherford Railroad, dated April 1, 1869.

Western Railroad Company, dated April 1, 1869.

All the above bear the imprint (in medallion) that the Special Tax required by the Constitution, has been ordered to be levied by the act of the Legislature authorizing the same.

PENNSYLVANIA STATE DEBT.

Mr. R. W. Mackey, State Treasurer of Pennsylvania, has issued the following notice to the holders of the Pennsylvania five per cent State Loan, issued under the act of June 11, 1840:

TREASURY DEPARTMENT,
HARRISBURG, Penn., Nov. 1, 1869.

The Commissioners of the Sinking Fund have authorized me to give notice to all holders of the five per cent. State Loan, due July 1, 1870, that all such bonds will be redeemed by this Department in full, with accrued interest to date of presentation.

You will, therefore, notify me (at this office) of the amount of bonds you hold and desire redeemed, and I will direct the Farmers' and Mechanics' National Bank, of Philadelphia, to accept your transfers and pay the amount of your bonds, with interest to date of transfer. These payments will be made on the first and third Saturdays of every month.

Yours respectfully,

R. W. MACKEY, State Treasurer.

P. S.—The interest on these bonds will cease July 1, 1870.

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK IN OCTOBER, 1869.

Specie in banks October 2.....		\$15,902,819
Treasure received from California by steamer.....	\$17,757	
" " overland.....	1,227,245	
Imports from foreign ports.....	2,569,444	
Coin interest paid out.....	7,715,000	
Treasury sales of gold.....	11,000,000—	23,559,566
Total reported supply.....		\$39,462,355
Withdrawn for export.....	2,528,073	
" customs.....	11,194,168—	13,722,231
Specie in banks, October 30.....		21,935,046
Total withdrawn and in bank.....		35,646,277
Excess of reported supply not accounted for.....		3,814,108

RAILROAD ITEMS.

CONSOLIDATION OF THE NEW YORK CENTRAL AND HUDSON RIVER RAILROADS.— The agreement of consolidation, made the 15th day of September, in the year 1869, between "The New York Central Railroad Company," party of the first part, and "The Hudson River Railroad Company," party of the second part, provides that "The said companies do hereby agree to merge and consolidate, and do hereby constitute and form one corporation, by the name of The New York Central and Hudson River Railroad Company. Said corporation shall continue for the term of 500 years.

That the capital stock of the new corporation to be now issued shall be \$45,000,000, and the authorized number of shares of said capital stock shall be 450,000. 287,950 shares shall be issued to the holders of the capital stock of the New York Central, and 160,280 of said shares shall be also issued to the holders of the capital stock of the Hudson River Railroad Company. The said capital stock may at any time, at the option of the Board of Directors of the consolidated Company, be increased to an amount sufficient to capitalize at par the interest certificates heretofore issued by the New York Central Railroad Company, under the resolution of the Board of Directors of said Company, passed December 19, 1868; and also the consolidation certificates authorized to be issued in pursuance of this agreement.

No further or other issue of shares of capital stock, beyond the amount necessary for the capitalization of the said interest and consolidation certificates, shall be made, unless such increase shall be first authorized and approved by two-thirds in amount of all the stockholders of such consolidated company.

All the bonded or other indebtedness of either of said corporations, including the debt certificates of the New York Central Railroad Company are hereby declared to be valid and binding on the new corporation.

ARTICLE VII.

For the purpose of equalizing the values of the property of said consolidating companies, and making compensation to the stockholders of said companies, respectively, for all differences in such values, the parties thereto do further agree that there shall be issued to the stockholders of the said companies certificates, to be called consolidation certificates, and which shall provide that the same shall be payable ratably, at the pleasure of the company, out of its future earnings, and that until the same be wholly paid off and redeemed, dividends upon the amount thereof shall be paid at the same rates and times as dividends shall be paid upon the capital stock.

Such consolidation certificates shall be issued for such purpose of equalization as follows, viz.:

First—To the stockholders of the New York Central Railroad Company, there shall be issued consolidation certificates for 27 per cent., or \$27 on each \$100 of the capital stock of said company.

Second—To the stockholders of the Hudson River Railroad Company, there shall be issued consolidation certificates for 85 per cent., or \$85 on each \$100 of the capital stock of said Company.

For the further purpose of such equalization, there shall be retained out of the assets of the New York Central Railroad Company, the sum of \$518,310, which sum shall be distributed ratably among the holders of the stock certificates and the holders of the interest certificates of the New York Central Railroad Company, at the time of the exchange of stock certificates, after the perfection of the consolidation, as herein provided. The 27 per cent. in consolidation certificates herein provided, being the compensation to the stockholders of the New York Central Railroad Company, both in respect to their stock and their interest certificates for 80 per cent. of the par of such stock heretofore issued to the stockholders of said Company, in respect to such stock—it is understood and agreed that each stockholder of the New York Central Railroad Company, shall, at the time he shall receive his consolidation certificate of 27 per cent., produce the interest certificate of 80 per cent. upon the par thereof corresponding thereto, to the end that the delivery of the consolidation certificate may be noted and receipted for, both on the stock certificate and the interest certificate; and in the event that any interest certificate shall have been separated from the corresponding stock certificate, the holder of the stock certificate shall not be entitled to receive the consolidation certificate for 27 per cent until he shall produce for the purpose of notation and receipt hereinbefore provided interest

certificates to the amount of 80 per cent. upon the par amount of the stock, but in case such stockholder shall be unable to produce such corresponding interest certificate he shall only be entitled to receive consolidation certificates for 15 per cent. on the par of the stock so produced, and the holder of the corresponding interest certificate shall, when producing the same and receipting therefor be entitled to a consolidation certificate for the residue, being 15 per cent. on the amount of such interest certificate.

ARTICLE VIII.

It is further agreed that the consolidated Company may at its option, at any time, convert the amount of the consolidation certificates issued in pursuance of the preceding article, into capital stock, at par; and that such consolidation certificates may be transferred in any sums on the books of the Company by the holders thereof, either in person or by attorney, on the surrender of the certificate.

And it is further agreed that the consolidated Company may from time to time invest its surplus moneys in the said consolidation certificates, by purchase thereof in the market.

ARTICLE IX.

It is further agreed that the outstanding interest certificates, issued by the New York Central Railroad Company, in pursuance of the resolution of said Company, passed December 19, 1868, may at the option of the holders thereof, be converted into or exchanged for certificates of the same tenor and effect as the consolidation certificates, the issue whereof is herein provided for—and that the consolidation certificates which may be thus issued for exchange in said interest certificates, may at any time at the option of said consolidated Company, be converted into capital stock at par, as provided for by the article hereinbefore contained, fixing the amount of the capital stock of the consolidated Company.

ERIE RAILWAY.—The *personel* of the Board of Directors of this Company has come to be a matter of such immense importance to the stockholders, that we give the directors and officers, as elected on Tuesday, Oct. 12th.

The new board elected: Jay Gould President, and James Fisk, Jr., Vice-President. H. N. Otis holds over as Secretary, and the appointment of Mortimer Smith as Assistant Secretary, was confirmed. Jay Gould continues to act as Treasurer. Alexander S. Diven, the former Vice-President, declined being a candidate for re-election, and Mr. Fisk was put in his place.

The new board also proceeded to classify themselves in accordance with the law passed last winter. The following classification was agreed upon:

Homer Ramsdell, Charles G. Sisson and J. D. White, to go out of office October, 1870.

John Hilton, M. R. Simons and George C. Hall, to go out in 1871.

John Ganson, O. W. Chapman and Henry Thompson, to go out in 1872.

Alexander S. Diven, H. N. Smith, Abram Gould and H. N. Otis, to go out in 1873.

Jay Gould, James Fisk, Jr., William M. Tweed and Frederick A. Lane, to go out in 1874.

At the meeting of the new board the following resolution was also adopted:

Resolved, That the President be instructed to carry out the policy which the Executive have inaugurated; that he be directed to proceed at once to carry into effect the contract with the Lake Shore and Michigan Southern Railroad for a narrow gauge through line for passengers and freight to Chicago and the West; and that he be authorized and directed, for the completion, finishing and operating the road, to issue and the Secretary be authorized to attach the corporate seal to \$5,000,000 bonds, to be called the "Narrow gauge sinking fund bonds," secured by the proceeds of the traffic of such narrow gauge as is provided for in such contract.

MISSOURI PACIFIC RAILROAD.—A report from St. Louis, dated 15th inst., says:

"The sensation of to-day in St. Louis is the action of our County Court in selling \$500,000 Pacific Railroad stock, belonging to the county, for \$250,000 cash to Hudson E. Bridge, of this city, who has been two years trying to get control of the Pacific directory. A "ring" of capitalists in the interest of the present directory had been

formed to get all the city and county stock, amounting to over \$1,000,000. Since June last the proposition has been pending to transfer this stock for bonds of a new track, which the Pacific Company wants, running centrally through St. Louis county, shortening the route a number of miles. The whole thing has been regarded as a grand speculation, out of which certain parties would realize some \$2,000,000 profits one way or another. The bid of Mr. Bridgo has broken up the present directory's "ring," but great indignation still exists among the people at the sale of the county's stock for 50 cents on the dollar when 60 has been offered. The City Council, last week, with only one dissenting voice, voted to transfer the city's stock to the January, Gibson or Pacific party, but it is said that Mayor Cole has written a veto of the bill, which will be sent in to-morrow."

Thomas Allen, President of the Iron Mountain Railroad, offered for the 5,000 shares of the Missouri Pacific stock, which was sold to Hudson E. Bridge, \$280,000 in 7 per cent. bonds of the St. Louis & Memphis Railroad Company. D. R. Garrison, the leader of the party opposed to Mr. Bridge, says that he offered \$300,000 in cash for it.

CINCINNATI, HAMILTON AND DARTON RAILROAD.—The earnings of this road for the years ending March 31, 1868 and 1869, were as follows:

	1868.	1869.
From passengers	\$476,797	\$437,624
" freight	727,278	696,691
" mails and express	63,410	82,449
" rent of track, &c.	84,803	40,815
" rent of machinery, &c.	29,102	1,521
	<u>\$1,382,891</u>	<u>\$1,209,104</u>
Expenses.... ..	\$748,719	\$704,074
Earnings, less expenses.....	\$634,175	\$505,030
From which deduct:		
Interest on bonds.....	\$144,090	
General interest account.....	21,834	
Taxes, State	41,268	
" National	24,071	
Insurance.....	7,067	
Profit and loss—sundries....	407	
		<u>283,199</u>
Leaving a balance of.....		\$260,830
Add surplus March 31, 1868		408,847
Total.....		<u>\$675,678</u>
Applied as follows:		
Subscription to complete Junction R. R.		\$5,000
Damage on account of collision at Localand, Nov. 21, 1867.....		17,075
Dividends No. 26 and 27, scrip		350,000
Balance—surplus account, March 31, 1869..		803,603
Total, as above.....		<u>\$675,678</u>

Compared with the previous year, the gross earnings show a decrease of \$123,790 17 with a decrease in operating expenses of \$44 645 84.

The entire expenditures, including interest, taxes, &c., was \$942,274 16, against \$974,435 60 in 1868—a decrease of \$32,161 44. The net earnings show a decrease of \$91,628 78. The earnings per mile have been \$20,151 84. Number of passengers carried, 642,583. Tons of freight moved, 608,692. Number of miles run by trains, 475,805. The operating expenses were 53.28 per cent of gross earnings.

CONDENSED BALANCE SHEET, MARCH 31, 1869.

Construction	\$3,967,084	Capital stock.....	\$3,500,000
Equipment	193,770	First mortgage bonds.....	1,250,000
Real estate.....	330,608	Second mortgage bonds ..	500,000
Materials	198,000	Third mortgage bond ..	252,000
Wood lands	12,540	Surplus earnings.....	803,603
Bills receivable	8,405	Interest on bonds.	5,784
Stocks and bonds.	802,743	Dividends unpaid.	13,650
Due from railroad companies ..	86,850	Dividend No 27.....	175,000
Due from individuals	25,063	Due railroad companies.....	77,259
Due from post office dep't.....	6,712	" individuals	70,879
Cash and cash as ets.....	73,653	" United States... ..	11,048
Dayton and Michigan Rail- ..		Pay rolls	61,917
road, lessors' account	107,113	Bills payable.... ..	319,962
	<u>\$6,572,115</u>		<u>\$6,572,115</u>

DAYTON AND MICHIGAN RAILROAD —The income of this company for the fiscal year ending March 31, 1869, was as follows:

From freight.....	\$4,604	Equipment.....	112,508
" passengers.....	341,668	Sinking fund.....	
" mails.....	16,763	Widening Bayou Bridge, Toledo.....	2,500
" express.....	84,211	Construction.....	50,801
" rents and interest.....	1,042	Loss on redemption 1st mort. bonds..	81,717
	\$1,040,289		\$402,199
Expenditures.....	642,452	Excess of expenditures over receipts.....	\$250,739
Earnings less operating expenses....	147,816	Add balance due C., H. & D.R.R. Co.,	
Received from sale of steamboat stock	10,000	lessees, March 31, 1868.....	297,164
Re'vd from sale of real estate.....	672	Add balance old account D. & W. R. R.	12,774
			\$67,148
Total.....	\$238,489	Deduct for 700 3d mort. bonds.....	50,000
Interest paid on bonds.....	\$245,985		
General interest account.....	11,937	Balance due Lessees, March 31, 1869..	\$107,148
Insurance.....	6,120		
Taxes, State and National..	40,038		

The balance of the First Mortgage Bonds (recently the Second), of which there was \$229,000 held by the lessees, as per last report, to pay the indebtedness to them for redemption of First Mortgage Bonds due July 1, 1867, have been disposed of, and the amount realized therefor (\$194,818 38, has been applied for that purpose, leaving a balance of \$38,717 52, which has been carried to this year's account. Two of the bonds, Nos. 22 and 23, have not been presented for payment, and as there has been no interest paid on them since 1859, the probabilities are they have been lost. During the year 35 First Mortgage bonds have cancelled by the sinking fund, making an increase as shown on the balance sheet of \$194,000.

A mortgage of \$700,000 has been recently placed on the property of the company to Stanley Matthews, trustee, and bonds issued for that amount in sums of \$1,000 each, bearing interest at 7 per cent. per annum, and payable October 1, 1888. These bonds have been paid to the lessees at 80 cents on the dollar, in part payment of amount due them, leaving a balance still due of \$107,148 49, and the discount on these bonds charged to profit and loss account.

CONDENSED BALANCE SHEET, MARCH 31, 1869.

Construction account.....	\$4,789,675 61	Capital, old.....	\$2,905,315 08
Stock interest account.....	472,743 85	" new.....	74,857 61
Fencing.....	23,786 31	" not issued.....	10,474 48
Tol o improvement.....	838,633 75	1st mortgage bonds.....	2,802,000 00
Right of way ...	105,401 45	2d ".....	642,000 00
Lima shop equipment.....	12,145 31	3d ".....	7,000 00
Real estate.....	92,788 17	Mortgage bonds.....	7,000 00
Rolling stock.....	650,771 13	Tol depot bonds.....	16,500 00
Bills receivable.....	1,624 00	Income bonds.....	1,200 00
Town of Perrysburg.....	11,000 00	Bills payable.....	4,200 00
Individual account.....	7,187 72	Interest on bonds.....	8,147 87
Profit and loss.....	386,072 91	Individual R.R. acc. unt.....	240 75
	\$6,827,753 29	C, H. & D. R. R. lessors' acc't.....	107,148 49
			\$6,927,753 29

CINCINNATI, RICHMOND AND CHICAGO RAILROAD.—The income of this company for the fiscal year ending March 31, 1869, was as follows:

From passengers.....	\$20,895 49
" freight.....	43,787 13
" mails.....	2,100 00
" express.....	8,123 59
" rents.....	221 56
" mileage of cars.....	2,491 35
	\$104,924 42
Expenditures.....	\$10,087 50
Excess of operating expenses.....	\$1,151 03
Interest paid on bonds.....	89,142 25
General interest and exchange.....	152 94
Insurance.....	32 12
Taxes, State and National.....	572 43
Excess of expenditures over receipts.....	\$46,008 84
Add balance due C., H. & D. R. R. Co., Lessees, March 31, 1863.....	13,226 79
Total due lessees.....	\$59,730 1

To pay off this indebtedness a mortgage of \$65,000 has been made to Stanley Matthews, trustee, and bonds issued in sums of \$1,000 each for that amount, payable Jan. 1, 1889, and bearing interest at 7 per cent. These bonds have been received by the lessees, in full account to March 31, 1869.

BALANCE SHEET, MARCH 31, 1869.

Construction.....	\$826,738 29	Capital stock.....	\$362,600 00
Equipment.....	120,451 98	First mortgage bonds.....	65,000 00
Real estate.....	700 00	Second ".....	65,000 00
Profit and loss ..	61,804 23	Interest on bonds unpaid.....	2,081 50
	<u>\$1,09,089 50</u>		<u>\$1,009,689 50</u>

NEW YORK, PROVIDENCE AND BOSTON RAILROAD.—The receipts of this company for the year ending August 31, 1869, were as follows :

From passengers.....	\$368,633 73	Salaries.....	9,966 71
" freight.....	244,493 10	Wages.....	\$97,301 40
" mail service.....	12,551 54	Fuel.....	62,251 48
" rents, balance accoun't.....	10,478 74	New cars.....	82,874 90
" gas, balance account.....	593 04	Taxes.....	33,970 70
" dividends, Stonington Steam- boat Co.....	62,233 00	Dredging.....	100 17
	<u>\$639,158 05</u>	Water works.....	576 80
Expenditures, viz:			<u>\$463,729 84</u>
Repairs of roads.....	\$83,506 73	Net earnings ..	\$235,459 21
" engines.....	26,723 83	From which deduct—	
" cars.....	32 157 06	Dividends, interest, &c.....	\$214,447 43
" bridges, etc.....	28,729 67		<u>\$21,010 79</u>
Ferry.....	17,624 67	Surplus.....	
General expenses, oil etc.....	37,945 87		

Compared with the previous year, the gross receipts show an increase of \$236,723 18, with an increase in expenses of \$102,712 38—making an increase of net earnings, \$138,010 75. The report says :

Acting under proper authority, the directors, in November last, directed the issue of \$1,000 000 in 7 per cent. bonds, payable in 1899. Of this amount \$400,000 was offered for sale, and \$388,000 disposed of, and the proceeds applied to the payment of the floating debt. In addition, \$58,000 of the old 6 per cent. bonds have been exchanged for the new issue, and the balance remains in the hands of the Treasurer.

LIABILITY OF CITIES FOR THEIR BONDS TO RAILROADS.—Upon this subject the New York Times gives the following : The United States Courts when appealed to, have invariably enforced the obligations of the Western cities and counties to pay their bonds issued for railway purposes, without reference to the responsibility of the railways negotiating or indorsing the bonds. In the State of Iowa it was supposed that a State constitutional defence might be interposed to the collection of these bonds, but the Federal Courts have decided otherwise, and after a prolonged and vexatious litigation, involving a conflict of jurisdiction, the following conclusion has been arrived at. We quote from the Des Moines State Register :

"The conflict in the decisions and orders of the State and Federal Courts on the question of the payment of certain bonds issued by various cities and counties in this State for the purpose of aiding in the construction of railroads, we are glad to know, is substantially at an end. The late decision of the State Supreme Court, in the case of Joseph Holman et al. vs. Harry Fulton, settles the question so far as any interference by the State Courts with the processes of the Federal Courts is concerned ; and the Federal Courts having already determined that all the power of the Government under the control of the Court should be used to enforce its mandates for the collection of these bonds, there seems to be no other alternative than for the cities and counties who have issued their bonds to go to work in good faith and honestly to compromise or pay them.

THE CHESAPEAKE AND OHIO RAILROAD.—RICHMOND, VA., Nov. 25.—The stockholders of the Chesapeake and Ohio Railroad met to-day. The receipts for the fiscal year were \$661,227, and the expenses \$477,511. An offer was received from some parties in England to take \$800,000 of the Company's stock, but no action was taken upon it.

SUITS AGAINST SOUTHERN RAILROADS.—The Washington correspondent of the *New York Times* gives the following statement on this subject: "The United States Government has filed bills in equity in the Circuit Court of the United States for the Eastern District of Tennessee against the East Tennessee and Virginia and East Tennessee and Georgia Railroad Companies, the object of which is to collect from the first named road the sum of \$250,000, and from the last named the sum of \$356,000. The evidence of this indebtedness is bonds executed by the President of the roads, and they were given as security for the purchase of engines, rolling stock and material turned over to the roads by the Government in August, 1863. The payment of the bonds has been delayed by the companies in the hope that they might secure from the Government some recompense for the great amount of railroad material and supplies turned over by these companies to general Burnside on his advent to East Tennessee, in 1863, as well as for the use and occupation of the roads by the Union armies from 1863 to 1865. These claims against the Government amount to about \$700,000. The United States has taken the initiative to force the collection of its claims in the Courts. Both parties are willing to submit to the decision of the Courts. The prayer of the bills in equity filed by the United States is for the appointment of receivers for both roads."

THE CENTRAL AND UNION PACIFIC JUNCTION CONTROVERSY SETTLED.—Washington, Nov. 23.—The controversy between the Union Pacific and Central Pacific Railroad Companies, concerning the possession of the road between Ogden and Promontory Point, the settlement of which was initiated by the act of Congress of last spring, which fixed the point of junction at Ogden, has been finally arranged by an agreement between the two companies as to the price to be paid to the Union Company for that portion of the road constructed by it between Ogden and Promontory, 80 miles. By this arrangement the Central pays to the Union a sum understood to be somewhat in excess of \$3,000,000, and comes into the proprietary possession of that portion of the road in dispute. These essentials being now settled, both companies will proceed to erect permanent and commodious buildings at Ogden, and the Treasury Department will issue to the companies the remainder of the subsidy bonds due to them, except such sum as may be retained to guarantee the final completion and equipment of the roads, in accordance with the recommendation of the Government Commissioners. Henceforth the two companies will be as one line.

FREIGHTS TO THE WEST.—The representations of the different railroads competing for the Western trade have met and agreed upon a new freight tariff. The war in which they have been engaged during the past few months has been beneficial, perhaps, to the shippers, but has certainly done the roads no sort of good. Rates to Chicago at one time had fallen so low as 25 cents per 100 pounds. The present schedule is considerably in advance of former ones, as will be seen by the following list of prices for first class freight to the places named:

Cleveland, Ohio	per 100 lbs. \$0 34
Cincinnati, Ohio	1 18
Chicago, Ill	1 25
St. Louis, Mo.....	1 00

The rates for the other classes of freight are proportionately increased.—*Commercial Advertiser.*

LAKE SHORE AND MICHIGAN SOUTHERN RAILROAD.—The *New York Tribune* gives the following as the terms of consolidation accepted by the Boards of Directors of the Lake Shore Road and the Toledo, Wabash and Western Road: "The Michigan Southern is to be taken at 100, and the Toledo and Wabash 75. The consolidation goes into effect January 1, 1870. The nominal capital of the new Company will be \$50,000,000. Previous to the issue of the new stock, a dividend of 4 per cent will be made on the present stock of the Michigan Southern Road, payable February 1, 1870. The transfer books of the Michigan Southern Road will close on the 15th of November, after which a meeting of the stockholders will be called to ratify the act of consolidation. The transfer books of the Toledo and Wabash Company are now closed, and will remain so until the stockholders have voted upon the proposal. The new Company will be called the Buffalo, Lake Shore, Chicago and Wabash Railroad Company."

THE PACIFIC RAILROAD COMMISSIONERS have made their report in full, in which they estimate that the sum of \$1,586,100 will supply all the deficiencies of the Union Pacific road from Omaha to Promontory, so that it may meet its description of "first-class." Of this amount, \$206,044 is needed for the section between Ogden and Promontory, which is claimed by the Central Pacific. The surplus rolling stock, material and supplies, now in possession of the road, are worth, it is thought, about \$1,800,000. Estimates are made for the amount necessary for every separate improvement, and the whole amount required for the Central Pacific Railroad is given as \$576,840, and this is counterbalanced, so the commissioners think, by a surplus rolling stock, material and supplies on hand, worth more than a million dollars.

THE RAILROADS OF VIRGINIA.—It is reported that the Richmond and Danville Railroad Company of Virginia has paid into the State Treasury one half of the interest due to the State on its loans, and the remainder is to be paid on December 16th, under instruction from General Canby. The Orange and Alexandria Railroad is yet behind. The annual interest due from the corporation is about \$18,000, while the Southside Railroad owes the sum of \$252,000, the time for payment of which, the Legislature, satisfied of the pecuniary position of the Company, has extended of their own accord. The Virginia and Tennessee Railroad owes about \$420,000 interest to the State, and the last-mentioned road appears not to be in a condition to meet its liabilities at present. The Chesapeake and Ohio Railroad is negotiating a loan with which it expects to liquidate its entire indebtedness to the State, principal and interest, in all about \$850,000.

VIRGINIA AND TENNESSEE RAILROAD BONDS.—The following notice is published in regard to these:

'Bondholders of the Virginia and Tennessee Railroad Company.

'Every preparation has now been made for the funding of the past due interest, in the manner and upon the terms of which notice has been previously given.

"On and after the 1st day of November, I shall be glad to receive the past due coupons of the Company, and to have such communication upon the subject otherwise, which bondholders may desire to make in furtherance of this subject.

"I shall occupy a room in the Company's main building at Lynchburg.

"CHARLES W. STATHAM, Funding Agent, Lynchburg, Va."

THE SUSQUEHANNA RAILROAD—JUDGE JOHNSON'S DECISION AT ROCHESTER.—ROCHESTER, November 8.—The decision of Judge Johnson, of the Supreme Court, was filed to-day in the matter of the Albany and Susquehanna Railroad Company. It requires the receiver to pay, first, the current expenses of running the road; second, the interest due on the Company's bonds, as well as the Albany City bonds loaned the Company; third, it authorizes the payment to the receiver of the balance due the Company from the Mechanics' and Farmers' Bank of Albany, or from any other bank or person. The receiver is not authorized to borrow money on the credit of the Company without special authority from the Court.

ARKANSAS BONDS.—The new Arkansas bonds exchanged for old obligations at the American Exchange Bank in this city amount to \$4,425,000. They are six per cent, part of them dated July 1, 1869, with coupons payable semi-annually in New York January 1 and July 1; and part of them dated January 1, 1870; the first coupon being annual, payable January 1, 1871, and after that semi-annual coupons January and July. The bonds run thirty years, and therefore mature July, 1899, and January, 1900.

IOWA CENTRAL RAILROAD.—Forty-five miles from Ackley to Marshalltown are now completed. Sixty more are graded, and work is being urged along the entire line. This road, as our readers are aware, is to run from the southern to the northern boundary of Iowa, near the 16th meridian, a distance of 240 miles. When finished, it will supply to St. Louis a connecting link to St. Paul, 147 miles shorter than any existing route. The line in Iowa will traverse the rich central basin between the Cedar and Des Moines rivers, prolific in coal and the finest agricultural and cereal products.

RICHMOND, VA., Nov. 28.—Arrangements were closed yesterday in New York with several prominent capitalists, by which the Chesapeake and Ohio Railroad will be completed at once. Among the capitalists are W. H. Aspinwall, A. A. Low, O. P. Huntington, Fisk & Hatch and others.

THE WELLS-FARGO EXPRESS.—According to special call, a meeting of the stockholders of the Wells, Fargo & Co.'s Express was held November 25th. The object of the meeting was to decide whether the capital stock of the company should be increased from \$10,000,000 to \$15,000,000, and whether the additional \$5,000,000 of stock should be delivered to the Pacific Express Company, who demand that amount in order to insure to Wells, Fargo & Co.'s Express the cessation of their rivalry.

Mr. Eugene Kelly opposed both propositions. The great point claimed in favor of the delivery of five millions of the Wells-Fargo stock was that the Pacific Express Company had an exclusive contract over the Central Pacific Railway for ten years. This line covered 800 miles, for the privileges of which the Wells Fargo Express is expected to pay \$5,000,000. The Union Pacific Railroad was 1,000 miles long. How did the stockholders know that some enterprising gentlemen, such as comprised the Pacific Express Company, would not obtain an "exclusive" contract over the Union Pacific Railroad, and then obtain a concession of stock from the Wells-Fargo Company? He did not deny that the rights to be conceded by the Pacific Express Company were valuable, but he did deny that they were worth \$5,000,000.

Mr. Barney said that the Pacific Express had been organized as an opposition to Wells Fargo. The officers had been notified of the fact by friends in California, who had asked them to come on and make some arrangements to fuse with the opposition. For eighteen months the Pacific Express had damaged the business of the Wells Fargo, having offices at all the main stations, and reducing the tariff almost to a non-paying point. They had a ten years' exclusive contract over the Central Pacific Railroad, which owned three-fifths of their stock. He considered that the Pacific Express Company had the best of the situation. Had he been in their place he would not have taken less than one-half of the total stock of the Wells-Fargo Express, since the latter could not compete with them. Unless the stockholders decided to carry out the arrangements proposed, it would necessitate a closing of the concern.

Eventually a vote was taken, resulting as follows: In favor of increasing the capital stock to \$15,000,000, 50,658; in favor of delivering the extra stock to the Pacific Express Company, 50,658; against the first proposition, 344, and against the second, 730.

Mr. Kelly and others of the opponents of the expansion of the capital stock refused to vote; thus the vote drawn out was not more than half of the actual capital stock of the Company. While these gentlemen did not vote, they did not endeavor by injunction to prevent the voting; but Mr. Eugene Kelly appealed to and procured from Judge Cardozo, of the Supreme Court, an injunction forbidding the issuing of the extra stock. This was served upon the President, Secretary and Treasurer of the Company, and will prevent any further action in the matter except by permission of the Courts.

COLUMBUS, CHICAGO, AND INDIANA CENTRAL RAILROAD.—The following explains itself: 57 Broadway, New York, Sept. 22d, 1869.—For the purpose of contradicting rumors in reference to the successful operation of the Columbus, Chicago and Indiana Central Railway, under the lease to the Pittsburgh, Cincinnati and St. Louis Railway Company, which lease is dated on the 22d day of January, 1869, the undersigned bear leave to say to those interested in the securities, that the road is successfully operated under the lease to the satisfaction of the parties, and shows a continued increase of earnings, with every prospect of a successful future traffic.

The lessees have made great improvements in the condition of the road and its depots, shops, and other buildings, and are adding largely to its rolling stock and facilities for doing business, and will continue to make whatever expenditures may be necessary to meet the increasing traffic of the future.

THOMAS L. JEWETT,

President Pittsburgh, Cincinnati, and St. Louis Railway Company.

E. E. SMITH,

President Columbus, Chicago, and Indiana Central Railway Company.

THE CREDIT MOBILIER CASE.—HARRISBURG, Nov. 25.—The jury in the Credit Mobilier case came in at one o'clock with a verdict for the Commonwealth of \$407,483 34. The amount claimed by the Commonwealth was \$520,546 87. The jury deducted \$2,890,600 from the nominal value of their dividends, which was over \$9,000,000.

NORTH CAROLINA RAILROAD.—The *Raleigh Sentinel* says that “the North Carolina Railroad Company have let and farmed out their road, for the term of twenty years, to the Raleigh and Gaston Railroad Company and others, for an annual rent of \$240,000, to be paid on the first day of January in each year. The rent is secured by a deposit in bank of cash or its equivalent in United States bonds; or good and acceptable railroad or other bonds; this deposit is to be permanent, and if there is occasion to apply it, then it is to be renewed, and as often as necessary.”

—The annual report of the Evansville and Crawfordsville Railroad for the year ending August 31, 1869, contains the following:

“In accordance with the proposition made to our bondholders for a twenty years’ extension of their bonds, we have begun the redemption of the two several issues, by redeeming upon advertisement from the lowest bidders, in January and May last, twenty-seven bonds of \$1,000 each, for the sum of \$22,766. This redemption will be continued on the first days of January and May of each year, till all the bonds of these issues are paid.

The Evansville, Henderson and Nashville Railroad, to whose completion we anxiously look forward for Southern connections, has, for financial reasons, progressed slowly for the past year, and its completion will probably be delayed another year.

A direct Northern connection of this road, under the name of the Evansville, Terre Haute and Chicago Railway Company, has been organized, to construct a road from Terre Haute to the State Line, in the direction of Danville, there to unite with the Chicago, Danville and Vincennes Railroad, and has so far progressed with its surveys and stock subscriptions as to justify the hope of its completion within about a year from this date. Its Northern connection, the C. D. & V. Railroad, is being rapidly completed. About thirty-three miles of the track is laid, and its builders contemplate its completion to the Indiana State Line during the coming year at farthest.

**EARNINGS AND EXPENSES FOR THE YEAR
ENDING AUGUST 31, 1869.**

From Passengers.....	\$185,293
“ Freight.....	245,775
“ Express.....	12,438
“ Mail Service.....	9,400
“ Roais	245
“ Use of Engines and Cars.....	8,735
Total Earnings.....	\$436,978

OPERATING EXPENSES.

Running Road.....	\$73,474
Maintenance of way.....	74,638
Repairing Bridges and Structures...	11,710
Repairs of Machinery.....	59,061
General Expenses.....	61,635
Total Expenses.....	\$285,451

Net Earnings... ..\$171,526

COMPARATIVE STATEMENT OF EARNINGS AND EXPENSES FOR THE THREE LAST YEARS.

	1866-7.	1867-8.	1868-9.
Total Earnings for Year.....	\$507,792	\$458,186	\$456,978
Total Operating Expenses.....	\$341,444	\$285,266	\$285,451
Net Earnings.....	\$168,347	\$117,020	\$171,526
Deduct Interest and Taxes.....	108,826	108,946	106,633
To Credit Income Account.....	\$51,991	\$8,973	\$64,893

GENERAL BALANCE SHEET, AUGUST 31, 1869.

ASSETS.		LIABILITIES.	
Construction of Road.....	\$2,410,324	Capital Stock paid in.....	\$998,971
Equipment.....	261,413	Fractional Scrip.....	8,442
Real Estate not necessary for use...	6,688	Unclaimed Stock Dividend, 1856...	86,147
District Fair Ground Stock.....	1,000	Preferred Stock.....	100,000
Fuel on hand.....	940	Seven Per Cent Bonds, Main Line ..	1,000,000
Ship Supplies.....	18,615	Less Redeemed by Sinking Fund..	27,000
Cash.....	40,946	Seven Per Cent Bond, Rockville	
Due from Agents.....	16,750	Extension.....	150,000
Open Accounts.....	9,767	Due other Lines.....	10,793
Total.....	\$2,875,078	Other Liabilities.....	83,018

INCOME ACCOUNT.

Earnings Expended for Construction.....	\$414,667
Balance of Account.....	54,562

\$2,875,037

—The Treasurer's report of the Atlantic and St. Lawrence Railroad Company shows the following for the year ending June 30, 1869. The capital stock issued is \$2,494,900, divided as follows :

438 shares in Federal currency, of \$100 each.....	\$43,800
5,063 shares in sterling currency, of £100, or \$484 each.....	2,420,492
28 fractional share rights, of \$16 each.....	608
	<hr/>
	\$2,494,900

During the past year an arrangement has been made with the city of Portland in reference to their \$1,500,000 loan, by which the 15,000 shares, previously reported as held by the city as collateral, and upon which no assessments have been paid, have been surrendered to the company and the certificates cancelled, and are now issued capital. Upon the Federal shares two dividends of \$2 per share have been paid at this office, and the dividends upon the sterling shares have been paid in London. The debt of the company has been reduced the past year \$159,200, by payments to that amount upon the company's obligations to the city of Portland. The total debt now is \$3,324,800, consisting of :

Obligations to the city of Portland for the first and second loans of their bonds....	\$1,390,800
Company's mortgage bonds of 1851.....	614,500
Company's sterling bonds of Nov. 1, 1853, on 25 years, £100,000 at \$484 to the £100..	444,300
Company's mortgage sterling bonds, 5-20, at \$4 84 to the £1, £182,900, equal to..	885,236
Amount due on exchange of bonds.....	264
	<hr/>
	\$3,324,800

The lessees have promptly provided for the payment of the dividends, the interest on the debt and the contributions to the sinking funds. They have also assumed and paid the excise tax of five per cent. on the company's mortgage bonds, thus giving the holders their full six per cent interest.

—The rates of freight from New York westward are now as follows :

	First class.	Second class.	Third class.	Fourth class.	Fifth class.
St. Louis.....	\$1 60	\$1 30	93	86	85
Louisville.....	1 45	1 18	90	80	65
Milwaukee.....	1 15	1 00	75	65	50
Chicago.. ..	1 55	1 00	75	65	50
Cincinnati.....	1 18	95	70	62	48
Indianapolis.....	1 21	98	74	64	50
Columbus.....	1 03	82	61	51	42
Toledo.....	1 00	80	60	52	40
Cleveland.....	80	67	51	42	34
Buffalo	60	50	40	30	25
Detroit... ..	90	72	64	47	37

—Western R. R. Gazette.

—The Tennessee Railroads, whose suit with the United States was terminated last week, were found during the war by our armies in a dilapidated condition, with little or no rolling stock. The government put them in repair and equipped them for its own use, operated them during the war, and at its close delivered them, with the improvements it had made, to the companies owning them. It charged the companies for these improvements, amounting altogether to about \$2,000 000.

Now, these companies had received aid from the State of Tennessee, for which they were required to pay interest. They failed to pay this interest during the war, and the government which had possession of their roads did not pay it for them. So when the government presented its claims to the Supreme Court against the companies, the companies presented counter claims, first for the use of the roads during the war, and next for the interest still due the State of Tennessee, which, the companies claim, should have been paid by the government for the time it had full possession of the roads.

According to the terms of the settlement, as they are reported, the roads are to remain in the control of the companies, and they are to pay first the interest due the State of Tennessee, but the whole amount of the net earnings, after paying this

debt, must go to pay the government demand; and they give their own bonds, or those of the State, to the amount of \$8,000,000, to insure the performance of the contract.

The roads concerned are the East Tennessee & Virginia, from Knoxville to Bristol, on the Virginia line; the East Tennessee & Georgia, from Knoxville to Dalton, Ga.; the Nashville & Chattanooga; and the Nashville & Northwestern, which extends from Nashville to Hickman, on the Mississippi, but during the war was operated only to Johnsonville, on the Tennessee, 78 miles from Nashville. The whole length of these roads is about 450 miles.

The *Western Railroad Gazette* gives the following:

—The city council of St. Louis last Tuesday passed an ordinance transferring the city's interest in the Missouri Pacific Railroad, of \$500,000 of stock, to Charles Gibson and T. J. January. The grantees give \$8,000,000 in bonds to build within two years a railroad through the center of St. Louis county, to Howell's Ferry, on the Missouri river, where it will connect with the projected road via Louisiana to Keokuk and to South Point, where it will connect with the Missouri Pacific, shortening the road to Kansas City, and offering a new connection to the Southwest Branch of the Pacific Railroad to the present directors.

—It is reported that arrangements will be completed in a few days for the transfer of freight, without breaking bulk, between the Iron Mountain and Mobile & Ohio Railroads at Belmont, Missouri, and Columbus, Kentucky.

—The articles of consolidation and amalgamation of the Western Pacific Railroad and San Francisco Bay Railroad Companies, and the incorporation of both under the name of the Western Pacific Railroad Company have been filed in the Secretary of State's office. Directors—Leland Stanford, C. P. Huntington, Mark Hopkins, Charles Crocker, E. B. Crocker, E. H. Miller, Jr., and E. B. Stanford. Capital stock \$10,000,000.

—The *St. Joseph Gazette* says that Mayor Hall of that city has made arrangements for putting \$1,500,000 of the bonds of the St. Joseph & Denver Railroad on the New York market, and that he has purchased a new locomotive for the road and iron enough to complete it to Hiawatha.

—A temporary bridge has been built over the Kansas river at Lawrence for the use of the Leavenworth, Lawrence & Galveston Railroad.

—A committee of the Cincinnati Board of Trade which has been examining the condition and prospects of the Fort Wayne, Muncie & Cincinnati Railroad recommends the loan of \$500,000 seven per cent. gold bonds to aid in the completion of the 42 miles between Muncie and Bluffton.

—The Treasury Department has paid to the Union Pacific Railroad Company \$487,000 in bonds for that portion of the road between the 1,020th mile post and Ogden, at the 1,084th mile post. The Union Pacific Company now owns up to the latter point, but the remainder of the distance, between Ogden and Promontory Point, is still in dispute. It has not yet been settled whether the Union Pacific Company shall have that part of the road, or whether it shall be given to the Central Pacific.

—The Cincinnati and Zanesville Railroad, extending from Zanesville to Morrow, 182 miles in length, together with other property and franchises, including the franchise to be and act as a corporation of the Cincinnati and Zanesville Railroad Company in the State of Ohio, will be exposed for sale at public vendue, in the city of Cincinnati on the 1st of December. The minimum price fixed by the Court is \$1,008,968.

—The Bangor, Oldtown and Milford Railroad Company have sold their road, better known as the Venzie Railroad, running from Bangor to Milford, thirteen miles in length, to H. G. Jewett and Noah Woods, acting in behalf of the European and North American Company. The price is not made public. The sale takes effect on the 1st of December. This is one of the oldest railroads in the country, and will be discontinued as soon as tracks can be laid from the European and North American Railroad to points accommodated by the Venzie Road.

—Mayor Cole, of St. Louis, has vetoed the ordinance of the Common Council selling the city's Pacific Railroad stock to January & Gibson for \$250,000 in bonds of the new railroad through St. Louis county. This transaction is distinct from that of the County Court, which sold half a million of the county's—not the city's—stock for \$250,000 in cash to Hudson E. Bridge, who leads a party in the Pacific directory opposed to January and Gibson.

—The work of laying the track of the Mobile and New Orleans Railroad was commenced at Mobile on November 8th, and was witnessed by most of the prominent citizens. This road is being built by Northern capitalists. The grading is well advanced, the iron has nearly all arrived and an early completion of the road and connection with New Orleans is promised. The distance is 138 miles.

—The Denver Pacific Railroad is not yet completed to Evans, as has been reported. It is open for 40 miles south of Cheyenne, and it is 20 miles further to Evans. There is one stage line from the terminus to Evans, and another between Evans and Denver. The road will be completed to Evans before the winter, however, leaving but 50 miles of staging to Denver.

—The injunction lately obtained by the Rutland Railroad Company, staying further proceedings before the Supreme Court of Vermont in the case of Cheever & Hart, Trustees, vs. Rutland and Burlington Railroad Company and others, has been dissolved.

—Louisville, Ky., has voted by a majority of about 500 to subscribe \$500,000 to the projected Louisville, New Albany and St. Louis Air Line Railroad. General I. M. St. John, Chief Engineer, in the report of his survey, estimates the cost at \$3,700,588.

—The stockholders of the Louisville, Cincinnati and Lexington Railroad Company, at a late meeting, passed a resolution rejecting the river line for the connecting line between the Louisville and Nashville and the Louisville, Cincinnati and Lexington roads.

—Upon the recommendation of the Secretary of the Interior the President has accepted a section of sixty-three miles of the Western Pacific Railroad, and ordered the bonds due on account of the construction thereof to be issued to the company.

—The St. Louis & Southeastern Railroad Company has executed a mortgage for \$250,000 to George Opldyke and Philo C. Calhoun, of New York. It is promised that work shall commence on this road at Shawneetown next spring.

—The city of Memphis on the 6th inst., sold its stock in the Mississippi & Tennessee Railroad, (Memphis to Grenada,) amounting to \$300,000 to A. T. Lacey, agent of the Mississippi River Railroad, for \$40,000.

—Under the reorganization the Little Miami road controls the Columbus & Xenia, Dayton & Xenia, and Dayton & Western roads. The entire capital stock paid up is \$3,358,600, and the traveled length 196½ miles.

—Evansville, Indiana, has voted to subscribe \$300,000 toward the building of the Evansville, Carmi and Paducah Railroad. This makes the construction of the road a certainty.

—The unfinished portion of the Chesapeake and Ohio Railroad, from Covington to Catlettsburgh and Point Pleasant, has been placed under contract.

THE DEBT STATEMENT FOR DECEMBER.

The following is the official statement of the public debt, as appears from the books and Treasurer's returns at the close of business on the last day of November, 1869:

Debt bearing interest in Coin.

Character of Issue.	When Payable.	Accrued Interest.
5's, Bonds.....	After 15 years from January 1, 1850....	\$116,866 7
5's, Bonds.....	After 10 years from January 1, 1861....	146,291 87
5's of 1861.....	After December 31, 1880.....	480,873 00
5's, Oregon War, '61.....	Redeemable 20 years from July 1, 1861.....	27,225 00
5's of 1861.....	At pleas. after 20 years from June 30, '61.....	4,732,940 00
5's, 5-20's.....	20 years from May, 1, 1864 ^a	2,573,836 00
5's of 1861.....	After June 30, 1861.....	1,75,000 00
5's, 10-40's.....	40 years from March 1, 1861 [†]	2,432,081 25
5's, 5-20's.....	20 years from November 1, 1864 ^a	19,411 10
5's, 5-20's.....	20 years from November 1, 1864 ^a	827,808 50
5's, 5-20's.....	20 years from November 1, 1865 ^a	1,16,636 25
5's, 5-20's.....	20 years from July 1, 1865 ^a	8,821 8 73
5's, 5-20's.....	20 years from July 1, 1867 ^a	9,489,758 75
5's, 5-20's.....	20 years from July 1, 1868 ^a	1,068,481 75
Aggregate of debt bearing interest in coin.....		\$2,107,388,800 00 \$28,203,914 0
Coupons due, not presented for payment.....		8,247,572 00
Total interest.....		\$41,27, 8. 00

Debt bearing interest in Lawful Money.

5's, Certificates, On demand (interest estimated).....	\$47,193,000 00	\$949,800 7
5's, Navy pen. f'd. Interest only applic. to pay. of pensions.....	14,000,000 00	1,000,000 00
Aggregate of debt bearing interest in lawful money.....		\$61,193,000 00 \$1, 15,90. 00

Debt on which interest has ceased since maturity.

5's, Bonds.....	Matured December 31, 1861.....	\$6,000 00	\$96 07
5's, Bonds.....	Matured December 31, 1867.....	14,150 00	549 00
5's, Bonds.....	Matured July 1, 1868 (9 months' inter.).....	58,700 00	3,641 50
5's, Texas Indem. Matured December 31, 1864.....		241,000 00	12,100 00
Var., Tr'y notes, Matured at various dates.....		108,614 64	8,072 35
5-20's, Tr'y notes, Matured March 1, 1859.....		2,400 00	120 00
5's, Treas. notes, Matured April and May, 1863.....		3,350 00	185 00
7-10's, 8 years, Matured August 19 and October 1, 1864.....		80,800 00	1,124 20
5's, 1 & 2 years, Matured from Jan. 7 to April 1, 1866.....		297,652 00	14,538 1
5's, Certif. of ind. Matu. ed at various dates in 1866.....		12,000 00	720 00
5's, Comp. int. n. Matured June 10, 1867, and May 15, 1868.....		2,321,120 00	485,219 37
4, 5 & 6's, Temp. l. Matured October 15, 1866.....		182,160 00	7,544 86
7-10's, 8 years, Matured August 15, 1867, and June 15, 1868.....		822,950 00	81,087 88
Aggregate of debt on which int. has ceased since matur.....		\$4,292,026 64	\$5,4,506 84

Debt bearing no interest.

Authorizing act.	Character of issue.	Amt. outstand.
July 17, 1861 and Feb. 12, 1862.....	Demand notes.....	\$114,956 67
Feb. 25 & July 11, '62, & Mar. 3, '63.....	U. S. legal-tender notes.....	856,000,000 00
July 17, 1863.....	Postal currency.....	9,485,461 64
March 3, 1863 and June 30, 1864.....	Fractional currency.....	36,802,940 00
March 3, 1863.....	Certificates for gold deposited.....	36,802,940 00
Aggregate of debt bearing no interest.....		\$431,461,798 14

Recapitulation.

	Amount outstanding.	Interest.
DEBT BEARING INTEREST IN COIN—Bonds at 5 p. cent.....	\$21,381,000 00	
Bonds at 6 p. cent.....	1,846,318,700 00	
Total debt bearing interest in coin.....	\$2,107,388,000 00	\$41,270,486 09
DEBT BEARING INTEREST IN LAWFUL MONEY —		
Certificates at 5 per cent.....	\$47,193,000 00	
Navy pension fund, at 3 per cent.....	14,000,000 00	
Total debt bearing interest in lawful money.....	\$61,193,000 00	1,15,900 00
DEBT ON WHICH INT. HAS CEASED SINCE MATURITY.....	4,292,026 64	5,4,506 84

* These bonds are redeemable at any time after 5 years from the date here given and payable after 20 years.
† These bonds are redeemable at any time after 10 years from the date here given and payable after 40 years.

DEBT BEARING NO INTEREST—

Demand and legal tender notes.....	\$234,112,293 50
Postal and fractional currency.....	38,455,561 08
Certificates of gold deposited.....	36 862,940 00
Total debt bearing no interest.....	\$431,861,783 18
Total	\$2,685,286 789 P2 \$42,947,8 2 97
Total debt, prin. & int., to date, including coupons due not presented for payment	\$2,448,234,632 79
AMOUNT IN THE TREASURY—	
Coin.....	\$105,968,943 77
Currency	11,871,745 79
Sinking fund in U. S. coin int't b'ds, and acc'd int. thereon.....	2,411,236 00
Other U. S. coin int. b'ds purchased, and acc'd int. thereon.....	36 456,206 00
Total.....	\$144,671,947 56
Debt, less amount in the Treasury.....	\$2,453,554,735 23
Debt, less amount in the Treasury on the 1st ultimo.....	2,461,13 130 26
Decrease of debt during the past month.....	7,571,431 13
Decrease of debt since March 1, 1869	\$71,933,324 73

Bonds issued to the Pacific Railroad Companies, Interest payable in Lawful Money.

Character of Issue.	Amount outstanding.	Interest accrued and not yet paid.	Interest paid by United States.	Interest repaid by transaction of U. S. of alls, &c. States.	Balance of int't paid
Union Pacific Co.....	\$27,475,000 00	\$576,342 32	\$2,081,869 89	\$1,105,941 51	\$973,228 20
Kansas Pacific, lat. U.P.					
E. D.....	6,303 000 00	157,575 10	831,813 09	611,224 99	203,788 10
Stout City and Pacific.....	1,828,320 00	40 70 1 00	146,508 49	16 27	96 43 43
Central Pacific	2,362,000 00	51,001 22	538,816 81	94,2 6 48	1,624,989 20
Central Branch Union Pacific, assignees of Atchison & Pike's P'k.....	1,600,000 00	40,000 00	305,808 26	5,296 79	200,517 47
Western Pacific	1,641,0 0 00	18,375 64	46,606 03	.....	46,606 00
Total issued.....	62,625 370 00	1,536,205 40	4,984,422 51	1,836,730 04	2,145 002 30

COMMERCIAL CHRONICLE AND REVIEW

Monetary Affairs—Rates of Loans and Discounts—Bonds sold at New York Stock Exchange Board—Price of Government Securities at New York—Course of Consols and American Securities at New York—Opening, Highest, Lowest and Closing Prices at the New York Stock Exchange—General Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.

November has been characterized by a steady, quiet course of business in Wall street. The money market has been more settled than was expected.

Although the month is usually one of special activity in the pork trade of the West, no considerable amounts of currency were sent to that section until the third and fourth weeks, when the remittances to the West and South combined aggregated probably close upon \$5,000,000. This drain was met without much inconvenience to the banks, and produced little effect upon the general tone of the market. It is indeed somewhat remarkable that, with such a comparatively light supply of legal tenders in the banks, these withdrawals should have produced so little effect; the explanation being perhaps afforded, first, in the partial return of money from the East; next, in the liberal disbursements of the Sub-Treasury; and further in the moderateness of the advances upon stocks, the price of which have ruled below the average. The rate of interest on call loans has ranged

between 5 and 7 per cent; but at the close of the month a hardening tendency was apparent, and 7 per cent quite general. In discounts there has been a gradual improvement of tone but with little alleviation of rates. In the absence of failures, the uneasiness engendered by the excessive pressure in October has gradually disappeared, and, with the exception of paper coming from those branches of trade which have suffered from a late fall in prices, there has been a fair degree of confidence in credits. As western collections have come in slowly, and merchants have had to give unusually liberal credits to traders in that section, there has been a very heavy supply of paper, and it is to this cause mainly that the high rates must be attributed. During the latter half of the month the demands for discounts from the pork sections came in competition with local paper, and stopped a declining tendency in rates which was becoming apparent. For the first half of the month prime double name paper ranged at 10 to 15 per cent, and subsequently at 9 to 12 per cent, while for single name of like grade the range has been 12 to 24 per cent.

The causes which we have previously noted as tending to restrict speculation still continue to operate, especially in the stock market. In United States bonds, the transactions for November show a decline of nearly forty-five per cent compared with the same month last year. In that class of securities, however, there has been considerable investment business, but rather in the way of selling than buying. The government purchased \$11,000,000; and yet prices have declined $2\frac{1}{2}$ to 4 per cent. In gold value, however, bonds were worth more at the close than at the opening of the month; for the price of gold declined from 128 $\frac{1}{2}$ on the first, to 121 $\frac{1}{2}$ on the 30th, and at London Sixty-two's advanced $1\frac{1}{2}$. The decline in gold, by rendering the interest upon currency investments more valuable, has caused a large amount of stock to be exchanged for railroad and other bonds, and the expectation that Congress may adopt some measures for funding the six per cent debt, at a lower rate of interest, has also induced free sales by the same class of holders; the purchases of the government, however, have absorbed the supply of bonds coming from this source.

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	Inc.	Dec.
U. S. bonds.....	\$23,445,400	\$13,185,850	\$..	\$9,870,050
State & city bonds.....	5,486,000	4,229,500	.....	550,000
Company bonds.....	1,181,700	1,206,700	115,000	.....
Total—November..	\$29,663,600	\$14,312,050	.....	\$10,315,550
Since January 1	225,124,600	292,546,650	\$67,361,050	.....

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of November as reported by the latest sale officially reported, are shown in the following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	—6's, 1881.—		—6's, (5-20 yrs.) Coupon—					—5's, 10-40.	
	Coup.	Reg.	1862.	1864	1865.	new	1867.	1868.	C'pn.
1.....	119 $\frac{1}{2}$	119 $\frac{1}{2}$	116	113 $\frac{1}{2}$	114	116	115 $\frac{1}{2}$	115 $\frac{1}{2}$	108
2.....	117 $\frac{1}{2}$	.....	115	113 $\frac{1}{2}$	118 $\frac{1}{2}$	115 $\frac{1}{2}$	115 $\frac{1}{2}$	115 $\frac{1}{2}$	107 $\frac{1}{2}$
3.....	118	.....	115	.....	113 $\frac{1}{2}$	115 $\frac{1}{2}$	115 $\frac{1}{2}$	115 $\frac{1}{2}$	.....
4.....	117 $\frac{1}{2}$	117 $\frac{1}{2}$	115 $\frac{1}{2}$	112 $\frac{1}{2}$	113 $\frac{1}{2}$	115 $\frac{1}{2}$	115 $\frac{1}{2}$	115 $\frac{1}{2}$	107 $\frac{1}{2}$
5.....	.....	118 $\frac{1}{2}$	115 $\frac{1}{2}$	113 $\frac{1}{2}$	113 $\frac{1}{2}$	115 $\frac{1}{2}$	115 $\frac{1}{2}$	.....	.....
6.....	118 $\frac{1}{2}$	.....	115 $\frac{1}{2}$	113 $\frac{1}{2}$	113 $\frac{1}{2}$	116	116	116	107 $\frac{1}{2}$
7.....	118	.....	.....	113 $\frac{1}{2}$	113 $\frac{1}{2}$	116	116	116	107 $\frac{1}{2}$
8.....	.....	.....	115 $\frac{1}{2}$	113 $\frac{1}{2}$	113 $\frac{1}{2}$	116	115 $\frac{1}{2}$	.....	107 $\frac{1}{2}$

10.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
11.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
12.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
13.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
14.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
15.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
16.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
17.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
18.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
19.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
20.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
21.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
22.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
23.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
24.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
25.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
26.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
27.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
28.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
29.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
30.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
First.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
Highest.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
Lowest.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
Closing.....	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

The dulness in the stock market is sufficiently indicated by the fact that the sales of all kinds of stocks at the Exchange have amounted to only 705,238 shares for the month, against 1,713,627 shares in November, 1868. This depression is the more singular from the fact that the earnings of the roads have been, in the main, satisfactory, and that the condition of the money market has favored the carrying of stocks—conditions which it might be supposed would have induced an active speculation for higher prices. It is very evident, however, that the cessation of the "watering" mania has taken away the special inducements to speculation which have influenced the market for the last two years; and as the capital of nearly all the roads represented on the Stock Exchange has been largely increased, and the fall in the prices of produce raises a probability that railway companies may find it necessary to reduce the rates of freight, there is a very general disposition to postpone speculations for a rise, until it becomes more apparent how the net earnings are likely to square with the increased capital; and yet, as the roads are at present earning good dividends, and prices of stocks are moderate, there is no immediate inducement to operate for lower prices; in this position of affairs there is very obvious cause for the extreme moderation of business. In prices there has been considerable irregularity, but,

on the average, quotations are lower at the close than at the opening. The Vanderbilt stocks have been especially weak, New York Central having declined from 192½ to 169½; Hudson River from 172½ to 154, and Harlem from 141½ to 129, from which it is to be inferred that the completion of Mr. Vanderbilt's consolidation scheme has been followed by an extensive realizing by the larger holders of stock.

STOCKS SOLD AT THE NEW YORK STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	Increase.	Dec.
Bank shares ..	2,845	1,203	.....	1,141
Railroad ..	1,579,212	629,486	....	901,776
Coal ..	11,669	8,455	.....	8,214
Mining ..	22,750	16,225	..	12,525
Improv't ..	11,200	2,200	....	9,000
Telegraph ..	20,151	11,639	.....	14,510
Steamship ..	48,926	22,883	....	26,080
Expr's&c ..	45,874	18,192	...	27,120
Total—November.....	1,712,627	705,229	.....	1,008,838
Since January 1.....	18,619,672	10,532,994	....	8,086,676

The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities sold at the New York Stock Exchange during the months of October and November, 1869 :

Railroad Stocks—	October—				November—			
	Open.	High.	Low.	Clos.	Open.	High.	L. w.	Clos.
Alton & Terre Haute.....	80	82	80	82	29	29	25	25
“ “ “ pref.....	56	60	56	59	53	54	58	58
Boston, Hartford & Erie	19	19	17	17½	11	11	9½	10
Chicago & Alton	146	146	135½	145	146½	152	145	148½
do do pref.....	144	147	138½	147	146½	149½	146½	148½
Chicago, Burl. & Quincy	165	165	159½	159½	155	155	147	152
do & Northwest'n.....	71½	73½	69½	69½	69	75½	65½	74½
do do pref.....	84½	85½	83½	84	84	89	83½	87½
do & Rock Island.....	109½	110	108½	108½	103	106½	102½	105½
Columb., Chic. & Ind. C.....	26½	26½	22	26½	28	28	21½	21½
Cleve. & Pittsburg.....	95	104	86½	86½	86	86	79	80
do Col., Cin & Ind.....	74½	78	73½	78	78	78	74½	74½
Del., Lack & Western.....	110	111	109	111	111	111	101½	105
Dubuque & Sioux city	108	110	108	108½	109	109	108	109
Erie.....	83½	84½	80½	80	89½	80	87	87½
do preferred	59	59½	54	54	51	53	42	46½
Harlem	135	149½	129½	143½	141½	141½	129	129
Hannibal & St. Joseph	110	112	105½	108½	107	108½	107	107½
do do pref.....	111	111	108	109½	107	109	106	106
Hudson River	161½	174½	156½	172	172½	172½	154	155
Illinois Central.....	127	129	122	129	127½	140	131	133
Joliet & Chicago.....	92½	92½	92½	92½	.....	.....	.....	.....
Lake Sho. & Mich. South.....	83	84½	81½	91½	91½	91½	86½	86½
Mar. & Cincin., 1st	20	20	18	18	20	21	18½	20
Michigan Central	122	124	119	122	119½	121	119½	121
Milwaukee & St. Paul.....	68½	70	65½	67½	67½	71	63½	67½
do do pref.....	81½	88½	79½	80	79½	84½	78½	82½
Morris & Essex.....	87	88½	86½	88	87½	88	87	87
New Jersey	117½	120	117½	120	120	120	120	120
do scrip.....	.....	.....	.....	.....	112	112	112	112
do Central.....	107	107½	97	100	95	98½	88	88
New York Central.....	178	195	171½	193½	193½	192½	169½	164½
do & R. C stk.....	.....	.....	.....	.....	96	96	87	87
do scrip .....	.....	.....	.....	.....	83	83½	74	74
do & N. Haven.....	128	140	125	140	129	141	138½	140
do do scrip.....	130	131	130	130½	132	141	132	141
Norwich & Worcester.....	.....	.....	.....	.....	108	108	108	108
Ohio & Mississippi	27½	28½	26	26	26	27½	24½	24½
do do pref.....	70	70	70	70	69	69	69	69
Panama.	210	240	200	210	207½	207½	203	203
Pitts., F. W. & Chi. guar.....	83½	85½	83½	85½	85	88	85	87½
Reading	93½	97	93	96½	96½	99½	95½	98½
Rome, W. & Ogdensb'g .....	.....	.....	.....	.....	105	105	105	105
Third Avenue.....	197½	197½	197½	197½	.....	.....	.....	.....
Toledo, Wab. & Western.....	59½	67	55	64	63½	63½	55	55
do do do pref.....	78	80	76½	78	75	75	75	75

Miscellaneous—

American Coal	40	40	40	40	...	...	...	...
Cumberland Coal	27	28	25½	27½	27	28	26	26
Pennsylvania Coal	220	220	220	220	...	...	...	...
Del. & Hud. Canal	120	124	120	122	122	122	120	120
Pacific Mail	53½	53½	54½	53½	53½	53	51	51
Boston Water Power	18	14½	13	14	...	...	...	...
Brunswick City Land	9½	9½	9½	9½	9	9	9	9
Canton	52	54	60	53½	52	52½	50½	51
Mariposa	8	9½	8	8	8	8	8	8
do pref.	16½	18	16	16½	16½	16½	15½	15½
Quicksilver	13	13	13	14½	15	15½	13½	13½
West. Union Telegraph	26½	27	26	26½	26½	26½	24½	24½
Bankers & Brokers Ass.	104	103	104	105	103½	104½	103½	103½

Express—

American M. Union	21	26	20	25	21	24½	23	25½
Adams	53½	53½	53½	57	55	55	55	57
United States	50½	50	49½	53½	53½	54½	51½	52
Wells, Fargo & Co.	15	20½	17	20½	19	20½	16½	18½

The course of the gold premium has been steadily downward, from 128½ on the 1st to 121½ on the 30th. The decline has been partially due to the large supply on the market, consequent upon the lightness of the exports of specie for the past 11 months. The chief cause, however, is in the large sales of coin by the Treasury, the effect of which, after having been staved off by speculation and doubts as to the persistence of Secretary Boutwell in his policy, is at last having its force. The total amount of coin advertised by the Treasury for sale during the month was \$11,000,000, the last instalment of \$1,000,000, offered on the 30th, was not sold, Mr. Boutwell declining to sell below 122, while the bids ranged between 120.63 and 121.20. The exports of specie for the month were quite nominal. The receipts on customs duties amounted to \$9,190,801, against \$7,638,883 in November, 1868.

COURSE OF GOLD AT NEW YORK.

Foreign exchange has ruled steady at ½¢ below the specie shipping rate, the market having been well supplied with both southern and local bills, while a moderate amount of bond bills have been marketed.

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London, cents for 54 pence.	Paris, centimes for dollar.	Amsterdam, cents for florin.	Bremen, cents for rix daler.	Hamburg, cents for mark.	Berlin, cents for thaler.
1...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
2...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
3...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
4...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
5...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
6...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
7...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
8...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
9...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
10...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
11...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
12...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
13...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
14...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
15...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
16...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
17...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
18...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
19...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
20...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
21...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
22...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
23...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
24...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
25...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
26...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
27...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
28...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
29...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
30...	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
Oct., 1868	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2
Oct., 1869	108 1/2 @ 109 1/2	51 1/2 @ 51 7/8	40 1/2 @ 41 1/2	78 1/2 @ 79 1/2	85 1/2 @ 86 1/2	71 1/2 @ 72 1/2

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.
February 6...	266,541,731	27,039,404	24,946,496	196,607,899	53,424,139
February 13...	264,380,407	27,334,331	24,968,451	192,977,889	52,334,952
February 20...	263,424,064	27,311,291	24,947,331	187,617,546	50,997,197
February 27...	261,171,697	27,832,608	24,947,981	186,215,175	50,835,054
March 6...	262,039,853	19,446,634	24,973,885	182,604,437	49,146,569
March 13...	261,699,693	17,338,671	24,890,445	172,392,468	47,639,625
March 20...	263,093,302	15,213,308	24,741,810	183,501,939	50,774,874
March 27...	263,409,549	12,013,721	24,777,314	180,113,910	50,555,103
April 3...	261,031,673	10,747,339	24,816,918	175,336,769	49,496,359
April 10...	257,140,227	8,791,443	24,609,360	171,495,540	48,644,719
April 17...	255,144,463	7,811,779	24,486,761	172,203,494	51,001,688
April 24...	257,053,074	8,891,460	24,680,611	177,310,000	51,677,639
May 1...	261,435,160	9,267,815	23,972,035	184,944,505	54,495,729
May 8...	264,439,373	10,081,449	23,938,160	191,831,387	56,109,573
May 15...	269,495,847	15,374,769	23,977,793	194,392,449	56,091,356
May 22...	270,316,453	15,469,404	23,997,306	199,414,869	57,831,713
May 29...	271,453,461	17,371,430	23,940,865	203,056,609	57,810,373
June 5...	271,011,009	10,051,133	23,942,945	199,144,043	51,299,429
June 12...	271,048,735	11,053,560	24,141,790	193,886,106	50,564,359
June 19...	261,341,946	10,043,444	24,196,879	184,214,110	49,612,498
June 26...	260,411,793	20,271,140	24,214,795	221,774,695	48,164,920
July 3...	261,366,471	22,690,367	24,217,073	179,949,467	46,737,263
July 10...	257,424,917	20,268,912	24,277,945	163,147,331	46,147,331
July 17...	257,008,219	21,055,450	24,176,437	184,431,711	51,359,706
July 24...	259,041,859	20,073,444	24,110,748	193,631,261	54,271,802
July 31...	260,039,215	27,411,933	24,083,617	194,416,443	56,101,637
August 7...	264,649,217	20,001,925	24,917,985	200,449,101	56,096,494
August 14...	266,465,63	24,154,499	23,992,957	198,182,711	54,740,000
August 21...	267,711,123	21,391,610	24,024,101	192,034,646	54,771,631
August 28...	261,013,109	19,161,102	24,000,744	188,754,539	52,792,891
September 4...	262,549,913	17,411,722	23,960,435	191,101,036	54,249,783
September 11...	261,095,33	14,942,096	23,961,196	184,828,344	51,417,407
September 18...	260,196,021	14,548,149	23,973,719	185,394,139	51,234,197
September 25...	262,141,243	13,953,481	23,991,081	190,230,793	50,025,61
October 2...	265,210,610	15,903,649	24,109,419	193,124,606	54,070,000
October 9...	260,749,974	21,513,626	24,173,925	179,214,676	52,917,600

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tenders.	Ag. Clerks.
October 16...	248,597,981	20,899,070	24,917,114	174,642,986	58,221,504	531,870,291
October 23...	249,346,073	19,894,701	24,901,425	175,793,919	58,077,444	531,810,267
October 30...	250,944,537	21,940,016	24,191,349	183,821,853	52,177,831	540,470,610
November 6...	252,793,460	21,919,008	24,148,663	182,061,840	49,977,590	589,89,678
November 13...	251,105,537	21,755,693	24,172,897	182,754,305	51,095,081	570,559,593
November 20...	251,068,003	27,129,071	24,221,942	183,731,140	47,455,121	471,760,150
November 27...	249,774,474	29,641,895	23,155,835	182,697,385	48,141,231	571,183,606
December 4...	453,235,990	20,653,639	24,140,469	182,000,140	45,900,270	678,011,266

PHILADELPHIA BANK RETURNS.

Date.	Specie.	Deposits.	Circulation.
April 5	184,008	85,976,854	10,422,500
April 12	184,345	86,022,122	10,422,100
April 19	187,818	87,081,747	10,678,422
April 26	184,961	87,477,365	10,678,407
May 3	207,758	89,971,241	10,678,419
May 10	270,595	89,478,601	10,617,934
May 17	270,167	90,092,742	10,617,912
May 24	174,115	41,641,410	10,617,930
May 31	183,267	42,478,119	10,617,931
June 7	169,816	42,890,230	10,617,931
June 14	162,451	42,005,077	10,617,934
June 21	148,796	42,064,901	10,617,934
June 28	180,684	41,617,716	10,617,934
July 5	183,621	41,321,587	10,617,934
July 12	495,293	40,149,497	10,617,934
July 19	456,751	39,834,892	10,617,934
July 26	390,377	38,100,414	10,617,934
August 2	384,609	38,717,156	10,617,934
August 9	384,316	39,506,405	10,617,934
August 16	386,069	39,141,196	10,617,934
August 23	344,356	39,010,665	10,617,934
August 30	345,515	38,818,414	10,617,934
September 6	347,868	38,212,869	10,617,934
September 13	144,169	38,945,913	10,617,934
September 20	171,853	39,169,308	10,617,934
September 27	150,068	39,645,578	10,617,934
October 4	177,808	39,406,244	10,617,934
October 11	205,111	37,102,578	10,617,934
October 18	204,668	37,041,089	10,617,934
October 25	115,845	36,738,298	10,617,934
November 1	854,845	37,943,411	10,617,934
November 8	827,685	38,781,731	10,617,934
November 15	872,475	38,423,941	10,617,934
November 22	805,806	38,331,200	10,617,934

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
April 5	96,949,714	144,376	11,443,334	33,504,000	24,770
April 12	96,925,472	750,100	11,391,549	34,722,277	24,770
April 19	99,115,750	609,400	11,449,995	31,257,071	24,770
April 26	99,971,711	617,423	12,361,837	33,302,203	24,770
May 3	100,127,411	708,968	12,362,118	36,735,742	24,770
May 10	100,694,649	1,277,749	12,513,478	37,457,837	24,770
May 17	101,474,527	1,134,486	12,486,527	38,708,804	24,770
May 24	102,042,131	934,500	12,191,542	39,247,661	24,770
May 31	101,532,878	772,897	12,696,857	38,404,624	24,770
June 7	103,643,849	640,592	12,454,661	38,491,446	24,770
June 14	104,762,644	601,742	12,643,616	37,408,719	24,770
June 21	103,691,858	959,796	12,087,205	36,845,945	24,770
June 28	102,546,623	1,103,062	11,794,608	34,231,417	24,770
July 5	102,653,428	2,144,676	9,845,802	31,161,765	24,770
July 12	102,653,428	2,255,121	9,511,879	31,580,417	24,770
July 19	102,701,540	2,024,605	9,738,461	30,911,103	24,770
July 26	102,701,540	2,208,940	10,719,569	37,776,697	24,770
August 2	102,701,540	2,154,616	10,489,605	36,117,973	24,770
August 9	102,701,540	2,154,616	11,240,864	34,831,721	24,770
August 16	102,701,540	2,154,616	11,240,864	35,229,169	24,770
August 23	103,163,077	1,341,712	11,908,786	37,041,046	24,770
August 30	103,945,545	1,719,598	11,702,519	37,362,711	24,770
September 6	104,497,247	1,340,674	12,571,211	37,041,046	24,770
September 13	104,478,944	1,168,641	12,747,337	37,041,046	24,770
September 20	104,478,944	1,168,641	12,950,097	36,917,006	24,770
September 27	104,478,944	1,168,641	12,950,097	36,917,006	24,770
October 4	104,478,944	1,168,641	12,950,097	36,917,006	24,770
October 11	104,478,944	1,168,641	12,950,097	36,917,006	24,770
October 18	104,478,944	1,168,641	12,950,097	36,917,006	24,770
October 25	104,478,944	1,168,641	12,950,097	36,917,006	24,770
November 1	104,478,944	1,168,641	12,950,097	36,917,006	24,770
November 8	104,478,944	1,168,641	12,950,097	36,917,006	24,770
November 15	104,478,944	1,168,641	12,950,097	36,917,006	24,770
November 22	104,478,944	1,168,641	12,950,097	36,917,006	24,770
November 29	104,478,944	1,168,641	12,950,097	36,917,006	24,770
December 6	104,478,944	1,168,641	12,950,097	36,917,006	24,770

21.

22.

23.

24.



